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## Chapter 1

### STATEMENT OF POLICIES AND OBJECTIVES

#### 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 V, VII and IX. (Code of Federal Regulations).

#### A. HOUSING AUTHORITY MISSION STATEMENT

**The Sandusky Metropolitan Housing Authority will provide safe, decent, and affordable housing to eligible residents of Sandusky County. We will also serve as stewards of public funds and public trust, and we will serve all clientele with respect in an efficient manner and without discrimination.**

#### B. LOCAL OBJECTIVES

##### Part I

**\* HUD Strategic Goal: Increase the availability of decent, safe, and affordable housing.**

**\_X\_ PHA Goal: Expand the supply of assisted housing**

##### Objectives:

Apply for additional rental vouchers:

Reduce public housing vacancies:

Leverage private or other public funds to create additional housing opportunities:

Acquire or build units or developments

Other (list below)

**\_X\_ PHA Goal: Improve the quality of assisted housing**

##### Objectives:

Improve public housing management: (PHAS score)

Improve voucher management: (SEMAP score)

Increase customer satisfaction:

Concentrate on efforts to improve specific management functions (list; e.g., public housing finance; voucher unit inspections)

Renovate or modernize public housing units:

Demolish or dispose of obsolete public housing:

Provide replacement public housing:

Provide replacement vouchers:

Other: (list below)

**PHA Goal: Increase assisted housing choices**

**Objectives:**

Provide voucher mobility counseling:

Conduct outreach efforts to potential voucher landlords

Increase voucher payment standards

Implement voucher homeownership program:

Implement public housing or other homeownership programs:

Implement public housing site-based waiting lists:

Convert public housing to vouchers:

Other: (list below)

Other PHA Goal/s and objectives: (List below)

**\* HUD Strategic Goal: Improve community quality of life and economic vitality**

**PHA Goal: Provide an improved living environment**

**Objectives:**

Implement measures to deconcentrate poverty by bringing higher income public housing households into lower income developments:

Implement measures to promote income mixing in public housing by assuring access for lower income families into higher income developments:

Implement public housing security improvements:

Designate developments or buildings for particular resident groups (elderly, persons with disabilities)

Other: (list below)

Other PHA Goal/s and objectives: (List below)

**\* HUD Strategic Goal: Promote self-sufficiency and asset development of families and individuals**

PHA Goal: Promote self-sufficiency and asset development of assisted households

**Objectives:**

Increase the number and percentage of employed persons in assisted families:

Provide or attract supportive services to improve assistance recipients' employability:

Provide or attract supportive services to increase independence for the elderly or families with disabilities.

Other: (list below)

Other PHA Goal/s and objectives: (List below)

**\* HUD Strategic Goal: Ensure Equal Opportunity in Housing for all Americans  PHA**

**Goal: Ensure equal opportunity and affirmatively further fair housing Objectives:**

Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, familial status, and disability:

Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, familial status, and disability:

Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required:

Other: (list below)

**\* Other PHA Goals and Objectives: (list below)**

**\*Create positive public awareness and expand the level of family, owner, and community support in accomplishing the PHA's mission.**

**\*Attain and maintain a high level of standards and professionalism in our day-to-day management of all program components.**

**\*Administer an efficient, high-performing agency through continuous improvement of the PHA's support systems and commitment to our employees and their development.**

**\*Provide decent, safe, and sanitary housing for very low income families while maintaining their rent payments at an affordable level.**

**\*Ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.**

**\*Promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.**

**\*To promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low income families.**

**\*To promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.**

### **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. 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 VI 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 1988)

Executive Order 11063

Section 504 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 Amendments 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 race, color, sex, religion, familial status, disability, national origin, **marital status, or sexual orientation** 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 **Administrative Office** is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TDD telephone service provider.

The PHA shall not, on account of race, color, sex, religion, familial status, disability, national origin, **marital status, 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; or

Deny a person access to the same level of services.

The PHA shall not automatically deny admission to a particular group or category of otherwise qualified applicants (e.g., families with children born to unmarried parents, elderly families with pets).

## **E. SERVICE AND ACCOMMODATIONS POLICY**

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 families, and all requests will be verified so that the PHA can properly accommodate the need presented by the disability.

### **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; or

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 financial resources of the facility or facilities involved in the provision of the reasonable accommodation; and

The number of persons employed at such facility, the number of families likely 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 will be verified with a reliable and knowledgeable professional.

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

### **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.

### **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 recertifications.**

### **Other Accommodations**

**\* 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.**

## **F. TRANSLATION OF DOCUMENTS**

**\* The Housing Authority has bilingual staff to assist non-English speaking families in Spanish and will consider providing translation of PHA documents into Spanish upon request by an applicant or tenant.**

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

**\* Number of families in Sandusky County who do not speak English and speak the other language.**

**\* Estimated cost to the PHA per client of translation of English written documents into the other language.**

**\* Evaluation of the need for translation by the bi-lingual staff and by agencies that work with the non-English speaking clients.**

**\* The availability of local organizations to provide translation services to non-English speaking families.**

## **G. PUBLIC HOUSING MANAGEMENT ASSESSMENT SYSTEM (PHAS) OBJECTIVES [24 CFR 901 & 902]**

***INSTRUCTION:** The final implementation of PHAS scoring began July 1, 2000. It is in the PHA's best interest to prepare for PHAS ratings since low performance scores will result in increased scrutiny and less flexibility for the PHA to make decisions, as well as possibly result in other punitive action.*

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 new 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.

## H. FAMILY OUTREACH

The PHA will publicize and disseminate information to make known the availability of housing units and housing-related services for 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.

## I. 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 which 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 kept in a separate folder and 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. All requests for access and granting of accommodations based on this information must be approved by the staff person designated by the **Executive 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 s/he has relatives living in Public Housing. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.**

## J. POSTING OF REQUIRED INFORMATION

The PHA will maintain a bulletin board in a conspicuous area of the **central office** which will contain:

Statement of policies and procedures governing Admission and Continued Occupancy Policy (ACOP) or a notice of where the policy is available

Information on application taking

Directory of the PHA's housing sites including names, address of offices and office hours at each facility (not applicable to SMHA)

Income limits for Admission

Current schedule of routine maintenance charges

A copy of the lease

The PHA's grievance procedures

A Fair Housing Poster

An Equal Opportunity in Employment poster

Current Resident Notices

Required public notices

**\* Security Deposit Charges**

**\* Information on preferences**

**\* Schedule of Utility Allowances (if applicable)**

**Mission Statement**

## **K. TERMINOLOGY**

The Housing Authority of **Sandusky County** is referred to as "PHA" or "Housing Authority" or "HA" throughout this document.

"Family" is used interchangeably with "Applicant," "Resident" or "Participant" or 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.

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

See Glossary for other terminology.

## Chapter 2

### ELIGIBILITY FOR ADMISSION [24 CFR Part 960, Subpart B]

#### 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 he or she meets 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 **very low** income limits for occupancy established by HUD and posted separately in the PHA offices;

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.

#### 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.**

## B. FAMILY COMPOSITION

*INSTRUCTION: The definition of "elderly family" and "disabled family" is set by HUD regulations, but HUD permits the PHA discretion to define what groups of persons constitute a non-elderly family. PHAs should be aware that if their definition is too restrictive, it might result in a legal challenge.*

### **Definition of Family**

**\* 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. They must also have a history as a family unit or show evidence of a stable family relationship.**

Elderly, disabled, and displaced families are defined by HUD in CFR 5.403.

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

A family with or without children;

An elderly family;

A disabled family;

A displaced family;

The remaining member of a tenant family;

A single person who is not elderly, displaced, or a person with disabilities, or the remaining member of a tenant family;

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;

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.

**\* Persons who are married are legally recognized as adults under State 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 is at least partially responsible for paying the rent.**

### **Spouse of Head**

Spouse means the husband or wife of the head.

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

### **Co-head**

An individual in the household who is equally responsible for the lease with the Head of Household. A 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:

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,

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

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

A live-in aide is 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.

Family members of a live-in attendant may also reside in the unit, providing doing so does not increase the subsidy by the cost of an additional bedroom and that the presence of the family member(s) does not overcrowd the unit.

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

**\* Verification of the need for a live-in aide must include the hours the care will be provided.**

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

### **C. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216]**

Families are required to provide verification of Social Security Numbers for all family members age 6 and older prior to admission, if they have been issued a number by the Social Security Administration. This requirement also applies to persons joining the family after admission to the program.

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

If a member does not have a Social Security Number they must sign a certification stating that they do not have one. The certification shall:

- state the individual's name, state, that the individual has not been issued a Social Security Number;
- state that the individual will disclose the Social Security Number, if they obtain one at a later date;
- be signed and dated.

**Persons who disclose their Social Security Number but cannot provide verification must sign a certification and provide verification within 60 days. Elderly persons must provide verification within 120 days.**

An applicant family may become a program participant for up to ninety (90) days, even if the family lacks the documentation necessary to verify the Social Security Number (SSN) of a family member under the age of 6 years. An extension of one (1) additional ninety (90) day period must be granted if the PHA determines that the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant. If an extension is not merited, SMHA must follow the provision of 24 CFR 5.218. If a 90-day extension is merited, SMHA must either verify the SSN for the child by the end of the 90-day extension period or follow the provisions of 24 CFR 5.218. (PIH Notice 2016-05; 24 CFR 5.216)

## D. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS

***INSTRUCTION:** In October 1998 Congress passed the Quality Housing and Work Responsibility Act of 1998. As a result, HAs may no longer elect to "opt out" of the Non-citizens rule. HAs must immediately begin to apply the provisions of section 214 of the HCDA of 1980.*

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 assistance will be pro-rated and that they may request a hearing if they contest this determination.

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 noncitizen regulations are not eligible for assistance.

The PHA will establish and verify eligibility no later than the date of the family's annual reexamination following October 21, 1998.

**\*No individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and 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:

to pay rent and other charges as required by the lease in a timely manner;

to care for and avoid damaging the unit and common areas;

to use facilities, appliances and equipment in a reasonable way;

to create no health or safety hazards, and to report maintenance needs in a timely manner;

not to interfere with the rights and peaceful enjoyment of others and to avoid damaging the property of others;

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;

*not to have ever been convicted of manufacturing or producing methamphetamine, also known as "speed," on the premises of assisted housing;*

*not to be subject to lifetime sex offender registration requirement;*

to comply with necessary and reasonable rules and program requirements of HUD and the PHA; and,

to comply with local health and safety codes.

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

**\* Previous outstanding debts to this PHA or any PHA resulting from a previous tenancy in any federally assisted housing program must be paid in full prior to admission. No Payment Agreement will be accepted.**

**\* 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. ONE STRIKE POLICY**

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

*INSTRUCTION: Notice PIH 96-27 describes the screening, lease and eviction provisions HAS 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."*

*There are numerous options from which a PHA may select policies used to verify and make decisions based on an applicant's prior criminal behavior. The PHA should be careful not to select any options that might conflict with another selected option.*

#### **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 **Sandusky MHA** to fully endorse and implement a policy which 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 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; and

### **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*.

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

### **Screening for "One Strike"**

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 resulted in eviction for any reason cited under the One Strike 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.**

**\* The PHA will not be obligated to ferret out information concerning a family's criminal activities as part of the processing of an application for assistance. Initial screening will be limited to routine inquiries of the family and any other information provided to the PHA**

regarding this matter. The inquiries will be standardized and directed to all applicants by inclusion in the application form.

**\* 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 indicates that any family member has been arrested or convicted within the prior three (3) years for drug-related or violent criminal activity, the PHA shall obtain verification through police/court records.**

**\* [FBI and] Law Enforcement Records**

*INSTRUCTION: HUD PIH Notice 98-20 advises PHAs of the process for obtaining FBI criminal history record information for the purpose of applicant screening, lease enforcement and eviction. The PHA should review the Notice before adopting any of the options listed. The following are options available as a result of the process. This notice applies to applicants and residents of public housing only.*

The PHA will check criminal history for all **applicants who are 18 years of age** to determine whether any member of the family has engaged in violent or drug-related criminal activity.

The PHA will check criminal history for all **applicants who are 18 years of age** to determine whether any member of the family 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 three-year period beginning on the date of such eviction.

**\* The PHA will not waive this requirement.**

No member of the applicant's family may have engaged in drug related or violent criminal activity within the past **three (3) 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 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.

"Engaged in or engaging in or recent history of" drug related criminal activity means any act within the past **three (3)** 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 **three (3)** 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 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:**

**The person demonstrates successful completion of a credible rehabilitation program approved by the PHA, or**

**The individual involved in drug-related criminal activity is no longer in the household because the person is incarcerated.**

**\* The PHA may permit eligibility for occupancy and impose 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 divorce decree/incarceration/death/copy of a new lease with the owner's telephone number and address/or other substantiating evidence.**

### **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.

### **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 or convicted of any criminal or drug-related criminal activity within the past 36 months.**

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 the activity is being engaged in by any family member.

No family member may be subject to lifetime sex offender registration requirement. This provision will not be waived.

**\* 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 in the last three (3) years.**

### **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 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 Hotline.

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

### **\* Obtaining Information From Drug 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.**

**\* 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 abuse treatment facility.**

**\* All applicants who respond in the affirmative will be required to sign a written consent authorizing 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.**

**\* The authorization will be sent to the drug abuse treatment facility with a PHA postage paid return addressed envelope addressed to the attention of the Occupancy Specialist.**

*INSTRUCTION: The following 4 options are not optional, if the PHA elects to have any applicant sign drug abuse treatment facility consent form.*

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

**\* Such confidential information will be reviewed by the Occupancy Specialist who will make a decision as to the outcome of the review.**

**\* Such confidential information will not be misused or improperly disseminated and will be destroyed not later than 5 days after the date on which the PHA gives final approval for admission.**

**\* If the application is denied, the information will be destroyed within 30 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.** Penalties for misuse are contained in the Sandusky MHA Personnel Policy.

**\* 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 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 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 960.204, 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 8.2 Definition: Qualified Individual with Handicaps) The availability of assistance is subject to verification by the PHA.

**\* The PHA's minimum age for admission as head of household is 18, to avoid entering into leases which would not be valid or enforceable under applicable law.**

**\* 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.**

**\* 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 [credit 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, clinics, 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.**

**\* 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:

The applicant's past performance in meeting financial obligations, especially rent.

Eviction or a record of disturbance of 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.

Any history of criminal activity on the part of any applicant family member involving criminal acts, including drug-related criminal activity.

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.

Any history of initiating threats or behaving in a manner indicating an intent to assault employees or other tenants.

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 reasonably 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:

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 960.205(b)]

Adversely affect the physical environment or financial stability of the project. [24CFR 960.205(b)]

Violate the terms and conditions of the lease. [24CFR 8.3].

Require services from PHA staff that would alter the fundamental nature of the PHA's program. [24 CFR 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 **for up to the past five (5) years.**

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 for 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.

**\* Applicants will not be considered to have a poor credit history if they were late paying rent because they were withholding rent due to substandard housing conditions in a manner consistent with a local ordinance; or had a poor rent paying history clearly related to an excessive rent relative to their income (using 50% of their gross income as a guide,) and responsible efforts were made by the family to resolve the nonpayment problem.**

**\* The lack of credit history will not disqualify a family, but a poor credit history will, with the exceptions noted above.**

**\* Where past rent paying ability cannot be documented, the PHA will check with the utility company(s) to determine whether the family has been current and timely on their payments.**

#### **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; and (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**

Evidence of successful rehabilitation;

Evidence of the applicant family's participation in and completion of social service or other appropriate counseling service approved by the PHA;

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:

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

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:

The eligibility of the applicant as a *family*;

The eligibility of the applicant with respect to income limits for admission;

The eligibility of the applicant with respect to citizenship or eligible immigration *status*;

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.")

**\* Applicants who have requested a reasonable accommodation as a person with a disability and who have been determined eligible, but fail to meet the Applicant Selection Criteria, will be offered an opportunity for a second meeting to have their cases examined to determine whether mitigating circumstances or reasonable accommodations will make it possible for them to be housed in accordance with the screening procedures.**

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.

### **\* Documenting Findings**

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

- \* **Criminal Activity** - includes the activities listed in the definition of criminal activity in this Chapter.
- \* **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.
- \* **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.
- \* **Drug Related Criminal Activity** - includes a determination by the PHA that the applicant has been involved in the illegal manufacture, sale, distribution, use or possession of a controlled substance.
- \* **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.
- \* **Initiating Threats** - or behaving in a manner indicating an intent to assault employees or other tenants.
- \* **Abandonment of a Public Housing Unit** - without advising PHA officials so that staff may secure the unit and protect its property from vandalism.
- \* **Non-Payment of Rightful Obligations** - including rent and/or utilities and other charges owed to the PHA [or any other PHA].
- \* **Intentionally Falsifying an Application for Leasing** - including uttering or otherwise providing false information about family income and size, using an alias on the application for housing, or making any other material false statement or omission intended to mislead.
- \* **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 multifamily setting. This 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.

**\* 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. This category does not include families whose housekeeping is found to be superficially unclean or due to lack of orderliness, where such conditions do not create a problem for neighbors.**

**\* Destruction of Property from previous rentals.**

**\* 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 which 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:

Have no income;

Are not employed;

Do not participate in a job training program;

Will not apply for various welfare or benefit programs;

Have children;

Have children born out of wedlock;

Are on welfare;

Are students.

**\* Resident Participation in the Screening Process**

**\* It is the PHA's policy to encourage resident participation in the applicant intake and screening process. The PHA recognizes that screening is only part of the occupancy cycle, and for the PHA-resident partnership to be effective, work is required both before and after admission. Given this policy the PHA, in conjunction with its resident leaders, proposes the following areas of involvement:**

**\* Orientation for families in shelters. The objective is to introduce shelter families to the PHA's screening requirements so that families with poor tenancy histories or no tenancy history can take actions to demonstrate that they meet PHA's criteria for admission.**

**\* Home visits. To work with residents to establish home visit inspection standards. To train residents on the standards and use residents along with the PHA staff to conduct home visits.**

**\* Applicant pre-occupancy orientation. Attendance at pre-occupancy orientation is a requirement of the screening process. The PHA and its residents will develop the agenda for this orientation to include such issues as rent, house rules, lease provisions, security, social services and utilities.**

## **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 programs must complete a written application form when application-taking is open. Applications will be made available in an accessible format upon request from a person with a disability.

**\* Applications will be mailed to interested families upon request.**

**\* Applications will be accepted at a central location for all**

**waiting lists.** The application process will involve two phases.

1. The first is the "initial" application for admission (referred to as a pre-application). This first phase is to determine the family's eligibility for, and placement on, the waiting list.

The pre-application will be dated, time-stamped, and referred to the PHA's office where tenant selection and assignment is processed.

2. The second phase is the "final determination of eligibility for admission" (referred as the full application). The full application takes place when the family **comes within five (5) names of** the top of the waiting list. At this time 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 PHA will utilize a preliminary-application form (pre-application) for the initial application for public housing. The application is taken over the phone or in person and

the data is entered into the computer. The application may also be mailed to the applicant and, if requested, it will be mailed in an accessible format.

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

**\* Translation will be provided for non-English speaking applicants in Spanish.**

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

Names of head and spouse

Names of adult members and age of all members

Number of family members (used to estimate bedroom size needed)

Street address and phone numbers

Mailing address (If PO Box or other permanent address)

Annual income

Source(s) of income received by household members to determine preference qualification

Information regarding request for reasonable accommodation or for accessible unit

Social Security Numbers

Race/ethnicity

**\* Arrests or Convictions for Drug Related or Violent Criminal Activity**

**\* Previous address**

**\* Names and address of current and previous landlords**

**\* Emergency contact person and address**

**\* Questions regarding previous participation in HUD programs**

**\* Duplicate applications, including applications from a segment of an applicant household, will not be accepted.**

**\* Preapplications will not require interviews. Information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.**

Applicants are requested to inform the PHA **in writing** 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 preapplication, 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 **[given to the applicant at the time the preapplication is submitted] [mailed to the applicant by first class mail] [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 preapplication, 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."

**Sandusky MHA does not determine eligibility based on the preapplication. The PHA reviews applications for completeness but not for the purpose of determining preliminary eligibility of the applicant. The application procedures included with the application (section titled Placement Possibilities) explain the PHA's policies regarding eligibility status.**

## D. COMPLETION OF A FULL APPLICATION

**\* Applicants on the waiting list who will be selected in the near future will be sent a letter (see Chapter on Tenant Selection and Assignment Plan). The letter will request the applicant to call to make an appointment for an application interview and request the applicant to bring all documents which verify all factors to be verified. Factors to be verified will be listed in the letter.**

**Applicants will be required to:**

- \* Complete a Personal Declaration Form prior to the full application interview.**

### **Requirement to Attend Interview**

The PHA utilizes the full application 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.

**\* The head or spouse are both required to attend the interview.**

**\* If an applicant fails to appear for a pre-scheduled appointment, the PHA will automatically schedule a second appointment. If the applicant misses the second appointment without prior approval, the application is denied.**

Reasonable accommodation will be made for persons with a disability who requires 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 full application 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 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 which 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 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 **14 calendar** 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.)

## **E. PROCESSING APPLICATIONS**

As families **are within five (5) names of** the top of the waiting list, the following items will be verified to determine qualification for admission to the PHA's housing:

Family composition and type (elderly/non elderly)

Annual Income

Assets and Asset Income

Deductions from Annual Income

Social Security Numbers of all family members

Information used in applicant screening

Citizenship or eligible immigration status

Criminal History Report

## **F. 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.

## Chapter 4

### TENANT SELECTION AND ASSIGNMENT PLAN (Includes Preferences and Managing the Waiting List)

[24 CFR 960.203, 960.204, 960.205, 960.206]

#### INSTRUCTION

*In October 1998, Congress passed the Quality Housing and Work Responsibility Act of 1998, which repealed the use of Federal preferences. **Site-Based Waiting Lists:** Per the Quality Housing and Work Responsibility Act of 1998, PHAs are now allowed to implement site-based waiting lists upon approval of the Annual Plan or upon HUD's approval to the PHA's request before the submission of the Annual Plan. This policy assumes that the PHA will receive approval for and continue to use site-based waiting lists in accordance with the PHA's Annual Plan to be submitted in compliance with the Quality Housing and Work Responsibility Act of 1998.*

#### INTRODUCTION

It is the PHA's policy that each applicant shall be assigned an appropriate place **on the public housing waiting list**. Applicants will be listed in sequence based upon date and time the application is received, the size and type of unit they require, **and veteran's preference...** In filling an actual or expected vacancy, the PHA will offer the dwelling unit to an applicant in the appropriate sequence. 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 order according to the date and time they submitted their pre-application and *whether or not they have a veteran's preference.*** 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 5, Part 945 and 960, Subparts A and B. The waiting list will be maintained in accordance with the following guidelines:

The application will be a permanent file.

All applicants on the list will be maintained in **order of preference**.

Applications equal in preference will be maintained by **date and time sequence**.

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

### **Opening and Closing the Waiting 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 through public notice in the following newspapers, minority publications and media entities location(s), and program(s) for which applications are being accepted in the local paper of record, "minority" newspapers, and other media including:

**The News Messenger**

**The Bellevue Gazette**

**The Clyde Enterprise**

**The following local agencies will also be notified when the waiting lists open and closes:**

**Department of Human Services  
The Liberty Center  
Veterans Services  
Sandusky County MRDD Board  
Social Security Office  
Rural Opportunities**

**WSOS CAC, Inc.  
First Call For Help  
Firelands Recovery Services  
Share and Care  
Homes/Casas, Inc.**

The notice will contain:

The dates, times, and the locations where families may apply.

The programs 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, how to submit an application, information on eligibility requirements.

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**

**\* The PHA may suspend the acceptance of applications if there are enough applicants to fill anticipated openings for the next 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.

**\* Suspension of application taking is announced in the same way as opening the waiting list.**

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover over the next **12** months. The PHA will give at least **14** 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 by:

**\* Unit size and local (state) preference priority** date and time of application receipt.

The PHA will update the waiting list **annually** by removing (**purging**) 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.

### **Reopening the List**

If the waiting list is closed and the PHA decides to open the waiting list, the PHA will publicly announce the opening.

Any reopening of the list is done in accordance with the HUD requirements.

Limits on Who May Apply

When the waiting list is open,

**\* Any family asking to be placed on the waiting list for Public Housing rental assistance will be given the opportunity to complete an application.**

When the application is submitted to the PHA:

**\* It establishes the family's date and time of application for placement order on the waiting list.**

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

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

## **B. SITE BASED WAITING LISTS**

**Site based waiting lists are not applicable to Sandusky MHA Public Housing.**

## **C. WAITING LIST PREFERENCES**

A preference does not guarantee admission to the program. Preferences are used to establish the order of placement on the waiting list. Every applicant must meet the PHA's Selection Criteria as defined in this policy.

The PHA's preference system will work in combination with requirements to match the characteristics for the family to the type of unit available, including units with targeted populations and further de-concentration of poverty in public housing. When such matching is required or permitted by current law, the PHA will give preference to qualified families.

Families who reach the top of the waiting list will be contacted by the PHA to verify their preference and, if verified, the PHA will complete a full application for occupancy. Applicants must complete the application for occupancy and continue through the application processing and may not retain their place on the waiting list if they refuse to complete their processing when contacted by the PHA.

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

### **State required preferences**

*The State of Ohio (ORC 3735.42) requires a veteran's preference as follows:*

*(A) Except as provided in any contract for financial assistance with the federal government in the selection of tenants for housing projects, a metropolitan housing authority shall give preference, as among applicants equally in need and eligible for occupancy of the dwelling and at the rent involved, to families of veterans and servicemen, including families of deceased veterans or servicemen;*

*(B) As used in this section: (A) “Veteran” means a person who has served in the active military or naval service of the United States and who was discharged or released therefrom under condition other than dishonorable. (B) “Serviceman” means a person serving in the active military or naval service of the United States.*

#### **D. ORDER OF SELECTION FOR GENERAL OCCUPANCY (FAMILY) DEVELOPMENTS**

The PHA has established the following local admissions preferences for general occupancy (family) developments:

**\* Date and time of receipt of a completed pre-application and veteran local/state preference (See C above).**

#### **E. ORDER OF SELECTION FOR MIXED POPULATION DEVELOPMENTS**

*This section pertains to projects designated for elderly/disabled and is NA to SMHA.*

#### **F. VERIFICATION OF PREFERENCE QUALIFICATION**

**\* The family may be placed on the waiting list upon their certification that they qualify for a preference. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified.**

If the preference verification indicates that an applicant does not qualify for the preference, the applicant will be returned to the waiting list and ranked without the Local Preference.

**\* If at the time the family applied, the preference claim was the only reason for placement of the family on the waiting list and the family cannot verify their eligibility for the preference as of the date of application, the family will be removed from the list.**

#### **Change in Circumstances**

Changes in an applicant’s circumstances while on the waiting list may affect the family’s entitlement to a preference. Applicants are required to notify the PHA in writing when their circumstances change. When an applicant claims an additional preference, s/he will be placed on the waiting list in the proper order of their newly-claimed preference.

#### **G. PREFERENCE DENIAL**

If THE PHA denies a preference, the applicant will be placed on the waiting list without benefit of the preference.

The PHA will notify the applicant in writing of the reasons why the preference was denied and offer the applicant an opportunity for **an informal meeting**. The applicant will have **five (5)** working days to request the meeting **in writing**. If the preference denial is upheld as a result of the meeting, or the applicant does not request a meeting, the applicant will be placed on the waiting list without benefit of the preference. Applicants may exercise other rights if they believe they have been discriminated against.

**\* Any applicant who falsifies documents or makes false statements in order to qualify for any preference will be removed from the waiting list with notification to the family.**

## **H. FACTORS OTHER THAN PREFERENCES THAT AFFECT SELECTION OF APPLICANTS**

Before applying its preference system, the PHA will first match the characteristics of the available unit to the applicants available on the waiting lists. Factors such as unit size, accessible features, de-concentration or income mixing, income targeting, or units in housing designated for the elderly limit the admission of families to those characteristics that match the characteristics and features of the vacant unit available.

By matching unit and family characteristics, it is possible that families who are lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application.

## **I. INCOME TARGETING**

The PHA will monitor its admissions to ensure that at least 40 percent of families admitted to public housing in each fiscal year shall have incomes that do not exceed 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 Section 8 Voucher Program during the PHA fiscal year exceeds 75 percent minimum targeting requirement for the PHA's 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:

The number of units equal to 10 percent of the number of newly available vouchers in the fiscal year; or

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**

The PHA will admit only families whose incomes do not exceed 80% of the HUD approved area median income.

**J. UNITS DESIGNATED FOR THE ELDERLY**

**Sandusky MHA has no units designated for elderly. Units are 2- and 3-bedroom, primarily for families with children.**

**K. UNITS DESIGNATED FOR THE DISABLED**

In accordance with the 1992 Housing Act, disabled families with a head, spouse, or sole member who qualifies as a person with disabilities as defined in 24 CFR 945.105 will receive a preference for admission to units that are covered by a HUD-approved Allocation Plan.

**\* The PHA has no Allocation Plan; however, the PHA has two (2) units designed for persons with mobility, sight and hearing impairments (referred to as accessibility units). 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.**

**L. GENERAL OCCUPANCY UNITS**

*General occupancy units are designed to house all populations of eligible families. In accordance with the PHA's occupancy standards, eligible families not needing units designed with special features or units designed for special populations will be admitted to the PHA's general occupancy units.*

*\* All families with children, elderly families and disabled families will have an admission preference over "Other Singles."*

**\* Singles Preference**

*\* Single persons who are not elderly, disabled or displaced will not be admitted before elderly, disabled and displaced families of up to two persons, regardless of preference.*

#### **M. DECONCENTRATION OF POVERTY AND INCOME-MIXING**

**\* The PHA is not subject to the de-concentration requirement because there is only one general occupancy (family) development.**

#### **N. 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.

#### **O. OFFER OF PLACEMENT ON THE SECTION 8 WAITING LIST**

*INSTRUCTION: Use only if the PHA has both Public Housing and Section 8 programs.*

**\* The PHA will not merge the waiting lists for public housing and Section 8. However, if the Section 8 waiting list is open when the applicant is placed on the public housing list, the PHA must offer to place the family on both lists. If the public housing waiting list is open at the time an applicant applies for Section 8, the PHA must offer to place the family on the public housing waiting list.**

#### **P. REMOVAL FROM WAITING LIST AND PURGING**

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

If an applicant fails to respond **in writing** within **30 calendar**, 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 an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless (1) a person with a disability requests a reasonable accommodation for being unable to reply with the proscribed period, or (2) **there were circumstances beyond the applicant's control. The following exceptions, if determined to exist, will be acceptable to warrant reinstatement:**

**Extended hospital stay;**

**Other cases to be determined on a case-by-case basis by the Executive Director or Occupancy Specialist.**

**\* Notices will be made available in accessible format upon the request of a person with a disability. An extension of seven (7) days 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) calendar days, if they have a change of address.**

**Keeping an application up to date**

**Applicants are required to notify the PHA when there has been a change in their income, family composition, address, or preference status. The notification does not have to be in verified (in writing) until the semi-annual purge period or the applicant has been contacted about housing assistance.**

**Q. 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 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.

**\* The PHA will make modifications to the unit in keeping with the Section 504 Transition Plan as the need arises and until the agency determines that an adequate number of units have been rehabilitated in numbers sufficient to evidence compliance with the Plan. After such point in time, the PHA may approve the family's plan to make physical modifications at the family's expenses and consistent with the terms of the Authority's 504 Plan as it relates to tenant modifications.**

See "Leasing" chapter.

## **R. 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:

\* **Plan "A". Under this plan the first qualified applicant in sequence on the waiting list will be made one 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.**

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.

## **S. 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)

## **T. APPLICANT STATUS AFTER FINAL UNIT OFFER**

When an applicant rejects the final unit offer the PHA will:

\* **Place the applicant's name on the bottom of the waiting list, OR**

\* **Remove the applicants name from the waiting list, depending on the choice made by the applicant.**

Removal from the waiting list means:

\* **The applicant must reapply.**

## **U. TIME-LIMIT FOR ACCEPTANCE OF UNIT**

Applicants must accept a unit offer within **seven (7)** calendar days of the date the offer is made. Offers made over the telephone will be confirmed by letter. If unable to contact an applicant by telephone, the PHA will send a **letter by first class mail to the most recent address on file.**

### **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 not be **placed at the bottom of the waiting list**.

Examples of "*good cause*" reasons for the refusal to take occupancy of a housing unit include, but are not limited to:

An elderly or disabled family makes the decision not to occupy or accept occupancy in designated housing. [24 CFR 945.303(d)]

**\* Inaccessibility to source of employment or children's day care such that an adult household member must quit a job, drop out of an educational institution or a job training program;**

**\* The family demonstrates to the PHA's satisfaction that accepting the offer will result in a situation where a family member's life, health or safety will be placed in jeopardy. The family must offer specific and compelling documentation such as restraining orders, other court orders, or risk assessments related to witness protection from a law enforcement agency. The reasons offered must be specific to the family. Refusals due to the location of the unit alone are not considered to be good cause.**

**\* 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.**

**\* 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 underutilize the unit.**

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

## **V. 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 Guideline 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.**

All guidelines in this section relate to the number of bedrooms in the unit. Dwelling units will be so assigned that:

**\*One bedroom will generally be assigned for every two family members. The PHA will consider factors such as family characteristics including sex, age, or relationship, the number of bedrooms and size of sleeping areas or bedrooms and the overall size of the dwelling unit. Consideration will also be given for medical reasons and the presence of a live-in aide.**

**\*Generally the PHA will assign one bedroom to two people within the following guidelines:**

**\*Adults of different generations and unrelated adults will not be required to share a bedroom.**

**\*Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under six (6) years of age).**

**\*Foster children will be included in determining unit size on a case-by-case basis.**

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

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

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

The living room will not be used as a bedroom except for purposes of reasonable accommodation.

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

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

## **B. EXCEPTIONS TO 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:

**\* 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.**

**\* 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:

#### **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.**

**Other Circumstances**

Circumstances may dictate a larger size than the occupancy standards permit when:

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.

Requests based on health related reasons must be verified by a **medical or 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)** 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. INCENTIVES TO ATTRACT HIGHER INCOME FAMILIES TO LOWER INCOME DEVELOPMENTS:**

*This section is N/A to SMHA.*

#### **D. 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.**

#### **E. 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 **Executive Director or Occupancy Specialist** who will make determination after review of the situation, the individual circumstances, and the verification provided.

**\* See chapter on Recertification 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 instructions set forth in HUD Notices, Memoranda and Addenda. However, the Quality Housing and Work Responsibility Act now gives 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

Reference SMHA Board Resolution 09-2012

The minimum rent for this PHA is **\$50**. The minimum rent refers to a minimum total tenant payment and not a minimum tenant rent.

The Total Tenant Payment is the greater of:

30% of the adjusted monthly income

10% of the monthly income

The Minimum rent as established by the PHA

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

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

## 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.)

**Annual Income** is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income 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**

*INSTRUCTION: In accordance with 24 CFR 5.611(b), PHAs may adopt additional exclusions for earned income pursuant to an established written policy. No HUD approval is required, but the PHA will have to absorb any loss in rental income that results from the adoption of such exclusions. Under the Qualify Housing and Work Responsibility Act of 1998, the former "Optional Income Exclusions" are now referred to as "Permissive Deductions"*

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

### **Allowable Deductions**

HUD has 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 when the expenses exceed 3 percent of the family's annual income.
4. Childcare expenses for children under 13 are deducted when child care is necessary to allow an **adult** member to work, actively seek work, or attend school (including vocational training).
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, and if the expenses exceed 3 percent of the family's annual income.

6. Financial Assistance received for mandatory education fees and charges (in addition to tuition, such as student service fees, student association fees, student activities fees, and laboratory fees) (PIH Notice 2016-05; 24 CFR 5.609(b)(9); PIH Notice 2015-21).

### C. TRAINING INCOME EXCLUSIONS [24 CFR 5.609(c)]

*INSTRUCTION: In accordance with HUD Notice PIH 98-2 and pertinent to welfare reform, PHAs are to follow HUD guidelines for the treatment of incremental income from qualifying job training programs for assisted housing programs. This section offers PHAs acceptable policy options regarding the treatment of incremental income from training programs for Public Housing Residents. The PHA is advised to review PIH 98-2, including the Q & A section, for further clarification and compliance.*

The PHA believes that training income exclusions are an important factor in helping public housing participants move from welfare and dependence to greater self-sufficiency.

**\* The PHA will share information regarding new policies governing training income derived from qualifying employment training programs with applicants, participants and local social service providers. The PHA's objective is to encourage families to move toward self-sufficiency by excluding from their annual income certain amounts earned through participation in various qualifying training programs. These training programs are aimed at offering the resident gainful employment skills. The exclusion of training income, in the calculation of annual income, is meant to be an incentive. It is the PHA's hope that welfare agencies will adopt or modify their programs so that welfare recipients living in Public Housing will receive the maximum benefits from these income exclusions.**

In order to be eligible for the exclusion the resident must actually receive training under the provisions of the program. For purposes of this exclusion, it is not enough for the resident to merely be enrolled.

#### **1. Training Income Exclusions in Accordance with 24 CFR 5.609(c)(8)(v)**

Income from training programs is excluded when the training program is in accordance with 24 CFR 5.609 (c) (8)(v) and has features that allow the training income of assisted housing residents to be excluded only while the resident is actively enrolled in the training program.

A training program qualifying under 24 CFR 5.609 (c)(8)(v) is defined as one with goals and objectives designed to lead to a higher level of proficiency, and one which enhances the individual's ability to obtain employment. The training program may have performance standards to measure proficiency. Training may include, but is not limited to:

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

For this purpose Annual Income does not include the following:

Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs.

At all times the income to be excluded is the incremental income only.

“Incremental income” is defined by HUD as the increase between the total amount of welfare and earnings of a family member *prior* to enrollment in the training program and welfare and earnings of the family member *after* enrollment in the training program.

All other amounts, (such as child support alimony), are treated in the usual manner in determining annual income. Child support, or other income that is not *earnings or benefits*, is not a factor and will not be considered in regard to training income exclusions, regardless of whether they have increased or decreased.

### **Who is Eligible for the Exclusion**

Any member of the resident’s family is eligible for the exclusion, provided the individual is enrolled in the qualifying employment training program.

If a family has members who enroll in training programs at different times, the exclusion may be taken at different periods. The rules will be applied individually to each member based on which type of program they are enrolled in.

### **Verification**

Upon verification, residents who are actively enrolled in a qualifying training program will have the incremental income from the training program excluded from their annual income.

### **Other Factors to be Considered**

***INSTRUCTION:** There may be cases where a resident has no income just prior to enrolling in a training program. Since income prior to training must be established to determine the incremental earnings, the PHA must use appropriate judgment before determining that the resident is totally without income.*

If a resident has no income the day they enter a training program, but has a history of employment in the past, the PHA will review the resident’s wages for the past 18 months and average the income. That averaged income will become the resident’s base amount for determining incremental earnings. Exception: If the resident has no income and enrolls in a welfare program which requires participants to be enrolled in a job training program, the base pay for that resident will be zero.

The resident is required to notify the PHA within ten working days of enrolling in a qualifying training program.

Residents who have a decrease in income as a result of enrolling in a training program may request an interim examination. The PHA will determine the decrease in incremental income as a result of the training program and adjust the resident’s rent accordingly.

Residents who do not notify the PHA within ten working days of starting a training program, and have a decrease in income, will not have their rent adjusted retroactively.

## D. DISALLOWANCE OF EARNED INCOME FROM RENT DETERMINATIONS

**INSTRUCTION:** *This section was effective October 1, 1999. Exclusion of income during participation in training programs under 24 CFR 5.609[8][v] is still applicable. Until October 1, 1999, the PHA applied the training income exclusions under the former 24 CFR 5.609[c][13]. Families who qualified for the (c) (13) exclusion on or before September 30, 1999, and who have not yet completed the exclusion can continue the exclusion for as long as they qualify under the old rule. HUD issued a final rule March 29, 2000 in the Federal Register effective for families as they are admitted or recertified on or after October 1, 1999. PHAs must take all necessary steps to ensure that families eligible for new mandatory earned income disallowances receive those disallowances. Effective May 9, 2016, with PIH Notice 2016-05, the disallowance under this section is limited to 24 months.*

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 employment;
2. Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or

Whose annual income increases, as a result of new employment or increased earnings of a family member during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500. The 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 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The 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 or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

**Initial Twelve-Month Exclusion:**

During the cumulative 12-month period beginning on the date a member of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, 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 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 48-month period starting from the date of the initial exclusion.

If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continue until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month total exclusion and the second 12-month phase-in exclusion).

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

**Applicability to 18-month Training Income Exclusions [formerly found in 24 CFR 5.609(c)(13)]:**

If a tenant meets the criteria for the mandatory earned income disallowance as outlined in 24 CFR 960.255, the PHA shall not deny a tenant the disallowance based on receipt of the earlier 18-month exclusion.

**Applicability to Child Care and Disability <sup>6-7</sup> 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:**

- \*Date the increase in earned income was reported by the family**
- \*Name of the family member whose earned income increased**
- \*Reason (new employment, participation in job training program, within 6 months after receiving TANF) for the increase in earned income**
- \*Amount of the increase in earned income (amount to be excluded)**
- \*Date the increase in income is first excluded from annual income**
- \*Date(s) earned income ended and resumed during the initial cumulative 12-month period of exclusion (if any)**
- \*Date the family member has received a total of 12 months of the initial exclusion**
- \*Date the 12-month phase-in period began**
- \*Date(s) earned income ended and resumed during the second cumulative 12-month period (phased-in) of exclusion (if any)**
- \*Date the family member has received a total of 12 months of the phased-in exclusion**
- \*Ending date of the maximum 48-month (four year) disallowance period (48 months from the date of the initial earned income disallowance)**

The 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 within [the month the increase occurs] [30 days of the date the increase] [other]. If the PHA determines that the family is a qualified family, the 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 12-month full exclusion will be applied. After the 12-month full exclusion ends, the 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).**

**\*The PHA's policy requires families to report certain changes between annual reexaminations. See Chapter 11 of this Plan. If a family reports an increase in earned income and if the PHA determines that the family is a qualified family, the 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 12-month full exclusion will be applied. After the 12-month full exclusion ends, the 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 is not used in determining the annual income of applicants for purposes of eligibility or income targeting for admission.

**AFTER May 9, 2016:** Self-sufficiency incentives for persons with disabilities—Disallowance of increase in annual income. (PIH Notice 2016-05; 24 CFR 5.617, 960.255)

Previously unemployed includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

Baseline income. The annual income immediately prior to implementation of the disallowance of a person with disabilities (who is a member of a qualified family).

A Qualified Family is a voucher program family:

- (1) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- (2) Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- (3) Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-

time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least \$500.

Inapplicability to admission. The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

(c) Disallowance of increase in annual income—

(1) Initial 12-month exclusion. During the 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the responsible entity must exclude from annual income (as defined in the regulations governing the applicable program listed in paragraph (a) of this section) of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

(2) Second 12-month exclusion and phase-in. Upon the expiration of the 12-month period defined in paragraph (c)(1) of this section and for the subsequent 12-month period, the responsible entity must exclude from annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.

(3) Maximum 2-year disallowance. The disallowance of increased income of an individual family member who is a person with disabilities as provided in paragraph (c)(1) or (c)(2) of this section is limited to a lifetime 24-month period. The disallowance applies for a maximum of 12 months for disallowance under paragraph (c)(1) of this section and a maximum of 12 months for disallowance under paragraph (c)(2) of this section, during the 24-month period starting from the initial exclusion under paragraph (c)(1) of this section.

(4) Effect of changes on currently participating families. Families eligible for and participating in the disallowance of earned income under this section prior to May 9, 2016 will continue to be governed by this section in effect as it existed immediately prior to that date (see 24 CFR parts 0 to 199, revised as of April 1, 2016).

- Once a family member is determined to be eligible for the EID, the 24-calendar month period starts;
- If the family member discontinues the employment that initially qualified the family for the EID, the 24-calendar month period continues;
- EID benefit is limited to a lifetime 24-month period for the qualifying family member;
- At the end of the 24 months, the EID ends regardless of how many months were used.

## E. INDIVIDUAL SAVINGS ACCOUNTS

**Sandusky MHA is not adopting this option.**

## F. 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.

## G. WAGES FROM EMPLOYMENT WITH THE PHA OR RESIDENT

### ORGANIZATION

Upon employment with the PHA, the full amount of employment income received by the person is counted. There is no 18-month exclusion of income for wages funded under the 1937 Housing Act Programs, which includes public housing and Section 8.

## H. AVERAGING INCOME

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

**\* Annualize current income and conduct an interim reexamination if income changes.**

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

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

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.

## I. MINIMUM INCOME

There is no minimum income requirement. Families who report zero income are required to **\*complete a written certification every month.**

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

**\* The PHA will 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.**

#### **J. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME**

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, the PHA will calculate the Total Tenant Payment by:

**Excluding the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member.**

**OR**

**Include the income of the person permanently confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.**

#### **K. 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 **three (3)** months or more frequently will be considered a "regular" contribution or gift, unless the amount is less than **\$200** 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.**

#### **L. 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.

#### **M. 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 worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but may be included in assets.

Lump-sum payments caused by delays in processing periodic payments (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) and retroactively to date of receipt if the receipt was not reported within that time frame.**

#### **Prospective Calculation Methodology**

*INSTRUCTION: Include if using any prospective calculation of lump sum receipts.*

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

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

The PHA will determine the percent of the year remaining until the next annual recertification as of the date of the interim (three months would be 25% of the year).

At the next annual recertification, the PHA will apply the percentage balance (75% in this example) to the lump sum and add it to the rest of the annual income.

The lump sum will be added in the same way for any interims which occur prior to the next annual recertification.

**\* If amortizing the payment over one year will cause the family to pay more than [percent] of the family's adjusted income (before the lump sum was added) for Total Tenant Payment, the PHA and family may enter into a Repayment Agreement, with the approval**

of [job title] , for the balance of the amount over the [percent] calculation. The beginning date for this Repayment Agreement will start as soon as the one year is over.

### **Retroactive Calculation Methodology**

*INSTRUCTION: Include if using any retroactive calculation of lump sum receipts.*

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, OR**

**\* 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 a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

## **N. CONTRIBUTIONS TO RETIREMENT FUNDS – ASSETS**

Contributions to company retirement/pension funds are handled as

follows:

While an individual is employed, count as assets only amounts the family can withdraw without retiring or terminating employment.

After retirement or termination of employment, count any amount the employee elects to receive as a lump sum.

## **O. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE**

The PHA must count assets disposed of for less than fair market value during the two 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 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 **\$500**. If the total value of assets disposed of within the two-year period is less than **\$500**, they will not be considered an asset.

## **P. CHILD CARE EXPENSES**

Unreimbursed 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.

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

**In cases where an adult family member is available to provide child care:**

- \* child care expenses will not be allowed as a deduction unless there is a documented reason that the family member is unable to care for the child.**

- \* child care expenses will be allowed as a deduction when the family chooses a non-family member provider.**

- \*[Other PHA policy]

Child care expenses must be reasonable. Reasonable is determined by what the average child care rates are in the PHA's jurisdiction.

Deductions for child care expenses are allowed based on the following guidelines:

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

**\* Child care for school:** The number of hours claimed for child care may not exceed the number of hours the family member is attending school (including one hour travel time to and from school).

**\* Amount of Expense:** The PHA may survey the local care providers in the community to determine what is reasonable. The PHA will use the collected data as a guideline. If the hourly rate materially exceeds the guideline, the PHA may calculate the allowance using the guideline.

## **Q. MEDICAL EXPENSES [24 CFR 5.603]**

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

**\* Nonprescription medicines and related herbal medicines must be prescribed by a doctor in order to be considered a medical expense.**

**\* Acupressure, acupuncture, and chiropractic services will be considered allowable medical expenses.**

## **R. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.520]**

### **Applicability**

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

"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 "Recertifications.") 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 Assistance Calculation**

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 assistance is prorated in the following manner:

- Step 1. Determine the total tenant payment in accordance with 24 CFR §5.628. (Annual income includes income of all family members, including any family member who has not established eligible immigration status.)
- Step 2. Family maximum rent is equal to the applicable flat rent for the unit size to be occupied by the family.
- Step 3. Subtract the total tenant payment from the family maximum rent. The result is the maximum subsidy for which the family could qualify if all members were eligible ("family maximum subsidy").
- Step 4. Divide the family maximum subsidy by the number of persons in the family (all persons) to determine the maximum subsidy per each family member who has citizenship or eligible immigration status ("eligible family member"). The subsidy per eligible family member is the "member maximum subsidy."
- Step 5. Multiply the member maximum subsidy by the number of family members who have citizenship or eligible immigration status ("eligible family members"). The product of this calculation is the "eligible subsidy."

- Step 6. The mixed family TTP is the maximum rent minus the amount of the eligible subsidy.
- Step 7. Subtract any applicable utility allowance from the mixed family TTP. The result of this calculation is the mixed family tenant rent.

When the mixed family's TTP is greater than the maximum rent, the PHA must use the TTP as the mixed family TTP. . Note: A warning message will appear when the family's TTP is entered into field 10p of PIC. This warning message is a workaround for purposes of implementing this provision.

This method of prorating assistance applies to new admissions and annual reexaminations after the effective date of the regulation. (24 CFR 5.520(d))

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

*[INSTRUCTION: Select one option below.]*

\* The PHA has no public housing units in which the applicable Maximum Rent is greater than the flat rent. Therefore, if the Mixed Family chooses flat rent, the family will pay the flat rent for the unit.

\* 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.

## **S. INCOME CHANGES RESULTING FROM WELFARE PROGRAM**

### **REQUIREMENTS**

***INSTRUCTION:** The QHWRA establishes new requirements for the treatment of income changes resulting from welfare program requirements. These requirements are effective immediately. However, the PHA must take procedural steps expeditiously, which establish the foundation for imposing the HUD required changes. The PHA must first incorporate the*

*provisions of the new requirements into the public housing lease so that the terms are binding. Accordingly, a PHA that does not revise its public housing lease and execute the new leases for all of its public housing residents before implementing the required changes would not be in compliance with new HUD regulations. PHAs are advised that the QHWRA amends PHAS requirements to include the extent to which the PHA coordinates, promotes and provides effective programs and activities to promote economic self-sufficiency of public housing residents.*

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

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

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

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where the family has complied with welfare agency economic self-sufficiency or work activity requirements but cannot or has not obtained employment, or
- 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:

Amount and term of specified welfare benefit reduction for the family;

Reason for the reduction; and

Subsequent changes in term or amount of reduction.

## **T. 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.

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.

SMHA reserves the option to implement retroactive quarterly disbursement of reimbursement payments due to a family if the amount is equal to or less than \$45 per quarter; a hardship exemption may be allowed in accordance with 24 CFR 5.630(b)(2) to allow monthly disbursement. If implemented, SMHA shall make retroactive quarterly payments in accordance with PIH Notice 2016-05; 24CFR 960.253, 982.514. Families leaving the program with retroactive credit for utility reimbursement will have the credit issued at the time of the end of program participation/HAP contract termination. (PIH Notice 2016-05; 24CFR 960.253, 982.514)

### **Resident-Paid Utilities**

The following requirements apply to residents living in developments with resident-paid utilities or applicants being admitted to such developments:

**\* When the supplier of utilities offers a "budget" or level payment plan, it shall be suggested to the resident to pay his/her bills according to this plan. This protects the resident from large seasonal fluctuations in the cost of utilities and ensures adequate heat in the winter. If the family is receiving AFDC, the PHA will encourage the family to consider a vendor payment plan for rent and utilities.**

**\* When a resident makes application for utility service in his/her own name, he or she must sign a third party notification agreement so that the PHA will be notified if the resident fails to pay the utility bill.**

**\* 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.**

## **U. EXCESS UTILITY PAYMENTS**

***THIS SECTION N/A TO SMHA.***

## **V. CEILING RENTS**

***INSTRUCTION:*** *The Quality Housing and Work Responsibility Act of 1998 (QHWRA) authorizes PHAs to adopt ceiling rents under the provisions of the QHWRA and all other preexisting laws, including the Balanced Budget Down Payment Act of 1996, also known as the Continuing Resolution. PHAs were authorized to establish ceiling rents that reflect the reasonable market value of the housing unit, but are not less than 75% of the monthly per-unit operating costs. The Continuing Resolution authorized a "Transition Rule" which PHAs could adopt before October 1, 1999. . If the PHA had adopted authorized ceiling rents before October 1, 1999, the PHA may retain ceiling rents instead of establishing flat rents for a period of 3 years from October 1, 1999. After this 3-year period, the PHA must adjust ceiling rents to the same level as flat 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’s methodology used to establish ceiling rents is described in the PHA Plan.**

**The PHA established HUD-authorized ceiling rents for all of its public housing units in March 2000.**

***\*For all units where ceiling rents are applied the lower of the total tenant payment or the ceiling rent will be applied.***

**\*Fair Market Rent as a Basis for Ceiling Rents**

***\* The PHA will apply ceiling rents to all of its public housing units using as a basis the current fair market rent for units comparable in size, location, quality, unit type, age, housing services, maintenance, utilities and amenities in the area in which the public housing development is located.***

*\* The PHA will not set ceiling rents below the monthly operating cost to operate the units.*

#### **Board Resolution**

*\* The PHA used the FMR system of establishing ceiling rents and has forwarded a copy of the adopted board resolution to the local HUD field office.*

*\* The PHA, in March, 2000, adopted a board resolution which describes the basis for the PHA ceiling rents and indicates the effective date of the ceiling rent policy.*

*\* The PHA forwarded a copy of the adopted board resolution to the local HUD field office.*

#### **Notice to Residents**

*The PHA provided a 30-day notice to all families affected by any new ceiling rent policies.*

## **W. FAMILY CHOICE IN RENTS**

***INSTRUCTION:*** *The Quality Housing and Work Responsibility Act of 1998 (QHWRA) requires PHAs to establish flat rents for each public housing unit.*

#### **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) the 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:

Is based on the rental value of the unit, as determined by the PHA; and

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 shall review the income of families paying flat rent not less than once every three 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:**

30 percent of the family's monthly adjusted income;

10 percent of the family's monthly income; or

The PHA/s Minimum TTP of **\$0**.

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:

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;

An increase, because of changed circumstances, in the family's expenses for medical costs, child care, transportation, education, or similar items; and

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

**Within a reasonable time** 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. The 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.

## **X. 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 flat rents are identical to the current ceiling rents utilized by the PHA, as described in this chapter.**

The PHA has adopted the following flat rents at the Day Woods Apartments.

2 BR	\$430.00
3 BR	\$550.00

## Chapter 7

### VERIFICATION PROCEDURES [24 CFR, Part 5, Subpart B; 24 CFR 960]

#### 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 four methods of verification acceptable to HUD in the following order:

1. **Third-Party Written:** The PHA's first choice is a written third party verification to substantiate claims made by an applicant or resident.
2. **Third-Party Oral:** The PHA may also use telephone verifications.
3. **Review of Documents:** The PHA will review documents, when relevant, to substantiate the claim of an applicant or resident.
4. **Notarized Statement:** A notarized statement will be accepted when no other form of verification is available.

If third party verification is not received directly from the source, 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 **60** old at the time of a unit offer. For tenants, they are valid for **60** from date of receipt.

#### Third-Party Written Verification

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

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

The PHA **will** accept verifications delivered by the family as third party documents **including computerized printouts from the following agencies:**

- \* **Social Security Administration**
- \* **Veterans Administration**
- \* **Welfare Assistance**
- \* **Unemployment Compensation Board**
- \* **City or County Courts**
- \* **Pharmacies for prescription drugs**
- \* **Child Support**

### **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:**

- \* **Printed wage stubs**

- \* **Computer print-outs from the employer**
- \* **Signed letters (provided that the information is notarized or confirmed by phone)**
- \* **Other documents noted in this Chapter as acceptable verification**

\* **The PHA will accept faxed documents.**

\* **The PHA will accept photo copies.**

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 certification means **a notarized statement.**

### **Streamlined Annual Reexaminations for Fixed Sources of Income**

SMHA reserves the option to implement a streamlined income determination for any family member with a fixed source of income. (Non-fixed sources of income remain subject to third-party verification.) If implemented, fixed-income includes income from: Social Security Payments (SSI & SSDI); Federal, state, local & private pension plans; and other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic payments. The streamlined determination will be made by applying a verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount. The COLA or current interest rate applicable to each source of fixed income must be obtained either from a public source or from tenant-provided, third-party generated documentation. SMHA must document how the determination was made that a source of income is fixed. Third-party verification of all income amounts for all family members must be performed at least every three (3) years. All family members' signatures on consent forms required by 24 CFR 5.230 must still be obtained by SMHA. (This implementation option is made available as detailed in PIH Notice 2016-05 and 24 CFR 960.257, 982.516)

## **B. RELEASE OF INFORMATION**

Adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form.

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

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

*INSTRUCTION: The 1988 McKinney Act legislation authorized State wage record keepers to release to both HUD and PHAs information pertaining to wages and unemployment compensation. How PHAs access this information varies. Most PHAs that do computer matching have signed an agreement with the appropriate State agency so that they can compare the name and social security number of applicants and tenants with the records of the State agency.*

**\* Where allowed by HUD and/or other State or local agencies and when the PHA has computer capability, computer matching will be done.**

## 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 at each certification or recertification interview.**

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 or to further his/her education.

Total medical expenses of all family member 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.

**Familial or marital** status when needed for head or spouse definition.

Disability for determination of preferences, allowances or deductions.

## E. VERIFICATION OF INCOME

This section defines the methods the PHA will use to verify various types of income. Whenever "in this order" is used in this chapter, the PHA will request and utilize verifications, if available, in the order specified.

### **Employment Income**

Verification forms request the employer to specify the:

Dates of employment

Amount and frequency of pay

Date of the last pay increase

Likelihood of change of employment status and effective date of any known salary increase during the next 12 months

#### **\* Year to date earnings**

Estimated income from overtime, tips, bonus pay expected during next 12 months

Acceptable methods of verification include, in this order:

1. Employment verification form completed by the employer.
2. Check stubs or earning statements 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. **Self-certification or** income tax returns 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 will 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, in this order:

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 [and signed] by the providing agency.**
- \*4 Bank statements for direct deposits.**

### **Unemployment Compensation**

Acceptable methods of verification include, in this order:

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, in this order:

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, in this order:

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

**\* A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.**

**\* A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.**

**\* A notarized affidavit from the family indicating the amount(s) received.**

**\* A welfare Notice of Action showing amounts received by the welfare agency for child support.**

**\* 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, in this order, include:

1. IRS Form 1040, including:

Schedule C (Small Business)

Schedule E (Rental Property Income)

Schedule F (Farm Income)

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

2. Audited or unaudited financial statement(s) of the business.

**\*3 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:

The person who provides the gifts

The value of the gifts

The regularity (dates) of the gifts

The purpose of the gifts

### **Zero Income Status**

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

**\* The PHA will request information from the Ohio Bureau of Employment.**

**\* The PHA will request information from IRS.**

**\* The PHA may run a credit report if information that is received that indicates the family has an unreported income source.**

### **Full-Time Student Status**

Only the first \$480 of the earned income of full time students 18 years of age or older, other than head or spouse, will be counted towards family income.

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

Verification of full time student status includes:

Written verification from the registrar's office or other school official.

School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

### **Streamlined Annual Reexaminations for Fixed Sources of Income**

SMHA reserves the option to implement a streamlined income determination for any family member with a fixed source of income. (Non-fixed sources of income remain subject to third-party verification.) If implemented, fixed-income includes income from:

Social Security Payments (SSI & SSDI); Federal, state, local & private pension plans; and other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits, and other similar types of periodic payments. The streamlined determination will be made by applying a verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount. The COLA or current interest rate applicable to each source of fixed income must be obtained either from a public source or from tenant-provided, third-party generated documentation. SMHA must document how the determination was made that a source of income is fixed. Third-party verification of all income amounts for all family members must be performed at least every three (3) years. All family members' signatures on consent forms required by 24 CFR 5.230 must still be obtained by SMHA. (This implementation option is made available as detailed in PIH Notice 2016-05 and 24 CFR 960.257, 982.516)

## **F. INCOME FROM ASSETS**

Acceptable methods of verification include, in this order:

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

be verified by:

1. Account statements, passbooks, certificates of deposit, or 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 recertification.

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

1. IRS Form 1040 with Schedule E (Rental Income).
2. Copies of latest rent receipts, leases, or other documentation of rent amounts.
3. Documentation of allowable operating expenses of the property: tax statements, insurance invoices, 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.

## **G. 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 recertification.

For all Certifications and Recertifications, 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 recertification.

If the family certifies that they have disposed of assets for less than fair market value, verification [or certification] is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

### **Family Declaration of Assets under \$5,000**

SMHA reserves the option to implement the ability to accept a family declaration of that it has total net assets equal to or less than \$5,000, without taking additional steps to verify the accuracy of the declaration. **If implemented**, SMHA must initially verify the asset value through third-party verification, and also must obtain third-party verification at least every three years thereafter. All family members 18 years of age and older must sign the family's declaration of total assets. Whenever a family member is added, SMHA must obtain third-party verification of that family member's assets. (PIH Notice 2016-05; 24 CFR 960.259, 982.516)

## **H. 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, Social Security 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 Handicapped 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:

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.

Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.

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.

For attendant care:

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.

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.

Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.

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.

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, nonrecurring expenses from the previous year.

The PHA will use mileage at the **current SMHA** 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 the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.

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:

Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided.

Certification of family and attendant and/or copies of canceled checks family used to make payments.

Auxiliary Apparatus:

Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.

In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

## **I. VERIFYING NON-FINANCIAL FACTORS**

### **Verification of Legal Identity**

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 identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

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

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

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

**\* If none of these documents can be provided, a third party who knows the person may, at the PHA's discretion, provide a verification.**

### **Verification of Marital Status**

*INSTRUCTION: This would be used to determine spouse for income and deduction and noncitizen purposes*

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.

### **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:

Official identification showing name

Birth Certificates

Baptismal certificates

Verification of guardianship is:

Court-ordered assignment

Affidavit of parent

Verification from social services agency

School records

**\* Evidence of an established family relationship:**

**\* Joint bank accounts or other shared financial transactions**

**\* Leases or other evidence of prior cohabitation**

**\* Credit reports showing relationship**

### **Split Households: Domestic Violence**

Verification of domestic violence when assessing applicant split households includes:

Shelter for battered persons

Police reports

District Attorney's office

### **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:

Husband or wife institutes divorce action.

Husband or wife institutes legal separation.

Order of protection/restraining order obtained by one family member against another.

Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.

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 Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7) 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**

***INSTRUCTION:*** In October 1998, Congress passed *The Quality Housing and Work Responsibility Act of 1998*. As a result, HAs may no longer elect not to comply with ("opt-out" of)

*the Non-citizen Rule. HAs must comply with the provisions in Section 214 of the Housing and Community Development Act of 1980.*

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 who were tenants and 62 or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.

Noncitizens 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 days that the INS conduct a manual search.

Family members 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.

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

Time 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 recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in. Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial 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 **30** days for families to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration. The regulations stipulate that only the following documents are acceptable unless changes are published in the Federal Register.

Resident Alien Card (I-551)

Alien Registration Receipt Card (I-151)

Arrival-Departure Record (I-94)

Temporary Resident Card (I-688)

Employment Authorization Card (I-688B)

Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

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

**\* The PHA will verify the eligibility of a family member at any time such eligibility is in question, without regard to the position of the family on the waiting list.**

#### **Verification of Social Security Numbers**

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

If a family member cannot produce a Social Security Card, only the documents listed below showing his/her Social Security Number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the Social Security Card information provided is/are complete and accurate:

- \* A valid driver's license**
- \* Identification card issued by a Federal, State or local agency**
- \* Identification card issued by a medical insurance company or provider (including Medicare and Medicaid)**
- \* An identification card issued by an employer or trade union**
- \* An identification card issued by a medical insurance company**
- \* Earnings statements or payroll stubs**
- \* Bank Statements**
- \* IRS Form 1099**
- \* Benefit award letters from government agencies**

**\* Retirement benefit letter**

**\* Life insurance policies**

**\* Court records (real estate, tax notices, marriage, divorce, judgment or bankruptcy records)**

**\* Verification of benefits or SSN from Social Security Administration**

New family members ages six and older will be required to produce their Social Security Card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the PHA. An applicant family may become a program participant for up to ninety (90) days, even if the family lacks the documentation necessary to verify the Social Security Number (SSN) of a family member under the age of 6 years. An extension of one (1) additional ninety (90) day period must be granted if the PHA determines that the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant. If an extension is not merited, SMHA must follow the provision of 24 CFR 5.218. If a 90-day extension is merited, SMHA must either verify the SSN for the child by the end of the 90-day extension period or follow the provisions of 24 CFR 5.218. (PIH Notice 2016-05; 24 CFR 5.216)

If an applicant or tenant is able to disclose the Social Security Number but cannot meet the documentation requirements, the applicant or tenant must sign a certification to that effect provided by the PHA. The applicant/tenant or family member will have an additional **30** days to provide proof of the Social Security Number. If they fail to provide this documentation, the family's tenancy will be terminated.

In the case of an individual at least 62 years of age, the PHA may grant an extension for an additional 60 days to a total of 120 days. If, at the end of this time, the elderly individual has not provided documentation, the family's tenancy will be terminated.

If the family member states they have not been issued a number, the family member will be required to sign a certification to this effect.

### **Medical Need for Larger Unit**

A written certification that a larger unit is necessary must be obtained from a reliable, knowledgeable professional.

## **J. VERIFICATION OF SUITABILITY FOR ADMISSION**

***INSTRUCTION:** Poor tenant selection creates unnecessary expense to the PHA, has a demoralizing affect on PHA staff, and ultimately devalues the PHA's property. Standards for applicant screening must be applied uniformly to all families and should require that they demonstrate the ability to comply with essential provisions of the lease.*

Sources to be used to determine suitability include but are not limited to:

Criminal History Reports

Prior landlord references

Physicians, social workers, and other health professionals

Sandusky MHA and Other PHAs (to whom the family may owe debt)

(See Chapter 2, Eligibility)

### **Ability to meet financial obligations under the lease**

All applicants will be subject to the following procedures to ensure their ability to meet financial obligations under the lease:

- \* **All applicants will be interviewed and asked questions about the basic elements of tenancy.**
- \* **The PHA will access a Credit Report on all applicants prior to selection.**
- \* **The PHA will determine if applicants owe any monies to from previous tenancy or participation in any HUD housing program.**
- \* **The PHA will independently verify the rent-paying history of all applicants for the previous three (3) years directly with the landlord(s).**

### **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 for the previous three (3) years to determine acceptable housekeeping standards.**
- \* **The PHA may conduct a home visit prior to admission.**

## **K. VERIFICATION OF WAITING LIST PREFERENCES**

[24 CFR 5.410, 5.415, 5.430]

*This section is n/a to Sandusky MHA. SMHA has no preferences for the public housing program.*

## Chapter 8

### TRANSFER POLICY

#### INTRODUCTION

*INSTRUCTION: HUD allows PHAs to establish transfer policies in any manner that is reasonable and that does not conflict with any other HUD established occupancy regulations or affirmative housing goals. The PHA should establish transfer policies that will be consistently applied. Nothing in this Model policy is intended to be the absolute procedure PHAs must use.*

The transferring of families is a 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 the housing development when it is necessary to comply with occupancy standards or when it will help accomplish the Affirmative Housing goals of the PHA. As SMHA has only 2- and 3-bedroom units, a family whose size changes so that they need less than two (2) bedrooms or more than three (3) bedrooms may “transfer” to the Voucher rental assistance program.

#### A. GENERAL STATEMENT

A family may be eligible to transfer for valid and certifiable reasons such as enabling the family to be:

**\* To move from an upstairs to a downstairs units for medical or accessibility reasons; or**

*in a unit better suited to the family’s size; or*

*involve protections afforded under the Violence Against Women Act (VAWA) of 2013.*

**\* The PHA will always consider a request to transfer as a reasonable accommodation for a person with a disability.**

**\* Families transferring to another unit must have paid the security deposit in full for the old unit.**

**\* It will be up to the gaining development to collect the charges.**

**\* The PHA will charge the families for any damages to the previous unit that exceeds that unit's security deposit.**

Except in emergency situations, transfers will be avoided when the family is:

**\* Delinquent in its rent;**

**\* In the process of reexamination to determine rent and eligibility; or**

**\* About to be asked to move for reasons other than non-payment of rent.**

- \* Not in good standing with the PHA due to rental history or a history of disturbances.**

### **Rank Order of Transfer List**

- \* The Transfer Waiting list will be maintained in rank order by:**

- \* Date of approval of transfer**

### **Mandatory Transfers**

**\* 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. *Families needing one bedroom or four or more bedrooms will transfer to the Voucher rental assistance program.***

**\* The PHA will place all families requiring a mandatory transfer due to occupancy standards on a transfer list, which will be reviewed for need-based transfers before any unit is offered to a family on the waiting list. *Families on the transfer list will have precedence over families on the waiting list and will be contacted about the availability of an appropriately sized unit first.***

**\* The family will be offered the next appropriately sized unit that becomes available after other such families already on the transfer list who are in need of the same size unit.**

**\* 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 five (5) working days from the issue date of the Notice to Terminate to request an informal conference.**

**\* The Housing manager has the authority to suspend the mandatory transfer policy for fourteen (14) days should the resident request such time as to provide sufficient information to the PHA to support the family's position.**

### **Emergency Transfers**

The PHA will authorize an emergency transfer for a participant family if one of the following conditions occurs:

The resident's unit has been damaged by fire, flood, or other causes to such a degree that the unit is not habitable, provided the damage was not the result of an intentional act, **carelessness or negligence** on the part of the resident or a member of the resident's household.

**\* The resident's unit has been damaged by fire, flood or other causes) to such a degree that the unit is not habitable, provided that, although the damage was a result of carelessness or negligence of the resident or a member of the resident's household, the resident has, in writing, accepted the responsibility for such damage and has agreed to make restitution to the PHA for the expense of repairing such damage.**

### **Special Circumstance Transfers**

The PHA will authorize transfers under special circumstances for a participant family if one of the following conditions occurs:

**\* The resident's unit is being modernized or significantly remodeled. [\*In such cases the family may only be offered temporary relocation and may be allowed to return to their unit once rehabilitation is complete.**

**\* The PHA has a need, at the discretion of the [Executive Director's] [other position title] to transfer the resident family to another unit and the resident voluntarily agrees to such transfer.**

### **Moving Costs**

The resident, except when the transfer is due to inhabitability, through no fault of the resident, or the need of the PHA, will pay all moving costs related to the transfer.

### **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 resident will be billed for any charges that occur as a result of the resident moving out of the apartment.**

## **B. TRANSFERS BETWEEN NON-ELDERLY DEVELOPMENTS**

*This section is n/a to SMHA.*

### C. TRANSFERS FROM NON-ELDERLY TO ELDERLY DEVELOPMENTS

*This section is n/a to SMHA.*

### D. TRANSFERS BETWEEN ELDERLY DEVELOPMENTS

*This section n/a to SMHA.*

### E. TRANSFERS WITHIN THE DEVELOPMENT

**\* Requests from residents asking permission to transfer to an apartment in another area of the development and which are not based on any special need will be denied.**

This policy of not transferring is not to be confused with the provision of the lease, which requires the resident, at the request of management, to move to an appropriate size unit. *Note: Families needing a one (1) bedroom or four (4) bedroom unit will be considered for transfer/admittance to the Voucher rental assistance program. The Voucher program treats these circumstances as a preference for admittance to that program.*

### F. TRANSFERS DURING INITIAL OCCUPANCY

*This section is n/a to SMHA.*

### G. TRANSFER REQUEST PROCEDURE

**\* Residents applying for a transfer will be interviewed by the Occupancy Specialist to determine the reason for the request and to determine whether a transfer is justified.**

**\* If the interview reveals that there is a problem at the family's present site, the manager will address the problem and, once solved to the manager's satisfaction, the request for transfer will be cancelled.**

**\*Mandatory transfers due to occupancy standards will be maintained on the transfer list in a manner that allows the PHA to easily distinguish between those that are not mandatory.**

**\* The resident will be informed of the security deposit procedures.**

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.**

### H. PROCESSING IN AND OUT OF DEVELOPMENTS

**\* There will be no lapsed time between move-out and move-in. Effective dates must not overlap.**

**\* Should there be a lapse in time 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 with the exception of one day at the rental rate of the old unit.**

**\* Both losing and gaining developments involved must have a definite agreement as to when the losing development will move the resident out and the gaining development will move the resident in.**

#### **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 the transfer between units within the development does not change the reexamination date.**

**\*An interim examination, verifying income only, will be conducted at the time of lease up and the family will not have a new 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

**At the time of the lease signing** a PHA representative will provide a lease orientation to the family head. The orientation may be conducted with more than one family.

\* 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:

- \* **A copy of the Lease**
- \* **A copy of the PHA's lease and grievance procedure**
- \* **A copy of the House Rules**

Topics to be discussed will include, but are not limited to:

- \* **Applicable deposits and other charges**
- \* **Provisions of the Lease**
- \* **Orientation to the community**
- \* **Unit maintenance and work orders**
- \* **Explanation of occupancy forms**
- \* **Terms of occupancy**

## B. LEASE REQUIREMENTS

The initial term of the lease will be for 12 months. The lease will renew automatically for 12-month terms with the following exception:

The PHA will not renew the lease if the family has violated the community service requirement (24 CFR 966.4).

Because the lease automatically renews for terms of 12 months, an annual signing process is not required.

The lease provides for termination and eviction at the end of any 12-month lease term for non-compliance with the community service requirements as required by 24 CFR Part 960, Subpart F and in the Community Service chapter of this policy.

## C. EXECUTION OF LEASE

The lease shall be executed by the head of household, spouse, **and 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:

A lease is executed at the time of admission for all new tenants.

A new lease is executed at the time of the transfer of a tenant from one PHA unit to another (with no change in reexamination date).

If, for any reason, any signer of the lease ceases to be a member of the household, the lease will be amended by drawing a line through the party's name and both parties will be required to initial and date the change.

**\* 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 co-sign the lease, subject to PHA approval.**

The names and date of birth of all household members are listed on the lease at initial occupancy and on the Application for Continued Occupancy each subsequent year. Only those persons listed on the most recent certification shall be permitted to occupy a dwelling unit.

Changes to tenant rents are made upon the preparation and execution of a "Notice of Rent Adjustment" by the PHA, which becomes an attachment to the lease. Documentation will be included in the tenant file to support proper notice.

Households that include a Live-In Attendant are required to execute a lease addendum authorizing the arrangement and describing the status of the attendant.

**\* 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 serving 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's 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:

1. Household additions subject to screening:
  - \* Resident plans to marry;
  - \* Resident is awarded custody of a child over the age for which juvenile justice records are available;
  - \* Resident desires to add a new family member to the lease, employ a live-in aide, or take in a foster child(ren).
  - \* 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.
2. Factors determining household additions which 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.**
3. Factors determining household additions which may be subject to screening, depending on PHA discretion:

School Records (attendance/behavior)

Juvenile Probation/Court Records

Police Records

- \*4 In such cases where the addition of a new member who has not been born, married, or legally adopted into the family, and the addition will affect the bedroom size required by the family, according to the PHA occupancy standards, the PHA will not approve the addition.**
- \*5 The PHA will not approve adding a family consisting of more than one member to the lease. Such applicants will be encouraged to apply to the waiting list.**
- 6. 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)(3)].
- 7. 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)** days of its occurrence.
  - \* These individuals may not be readmitted to the unit and must apply as a new applicant for placement on the waiting list.
  - \* **The PHA in making determinations under this paragraph will consider medical hardship or other extenuating circumstances.**
- \*8. \* The resident may not allow visitors to stay overnight more than 14 consecutive days without PHA approval, or a total of 36 days in a twelve month period.**
  - \* **The manager may authorize overnight visitors provided the visit does not exceed 14 days.**
  - \* **Visitors who remain beyond this period shall be considered trespassers, and their presence constitutes a breach of the lease.**
  - \* **If an individual other than a leaseholder 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.**
- 9. 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 four (4) days 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)]**

*INSTRUCTION: 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.*

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 to agree to move to an available non-accessible unit within 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. 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 eviction.

Non-payment of excess utility charge payments to the PHA is a violation of the lease and is grounds for eviction.

## **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 and/or pet deposit required is specified in the lease.**

**\* The amount of the Security Deposit is the Total Tenant Payment.**

**\* The amount of the Pet Deposit is located in Chapter 11 of this 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-half of the required deposit must be paid before occupancy.**

**\* The remainder of the deposit must be paid within [60] days *at the rate of 25% within 30 days and the balance (25%) within 60 days.***

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:

Unpaid Rent;

Damages listed on the Move-Out Inspection Report that exceed normal wear and tear;

Other charges under the Lease.

The PHA will refund the Security Deposit less any amounts owed, within **30**, days after move out and tenant's notification of new address.

The PHA will refund the Pet 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 Pet 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 the security or pet deposits. If the tenant disagrees with the amount charged to the security or pet deposits, 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 the 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 a new deposit, using the current information regarding Total Tenant Payment. If applicable, the tenant will be informed of the new deposit amount. However, the *portion of the new deposit equal to the balance due tenant for the old deposit (if any)* will not be collected until the old deposit is refunded.**

### **Pet Deposit**

See chapter on Pet policy.

## H. RENT PAYMENTS

The tenant rent is due and payable at the PHA-designated location on the **first (1st)** of every month. If the **first (1st)** falls on a weekend or holiday, the rent is due and payable on the first business day thereafter.

If the PHA does not receive payment by the agreed-upon date, a delinquent rent notice will be sent.

## I. FEES AND NONPAYMENT PENALTIES

If the tenant fails to make payment by the fifth (5th) day of the month, a late fee of **\$10.00** will be charged.

**\* A charge of \$20.00 will be assessed against the tenant for checks which are returned for non-sufficient funds (NSF), or checks written on a closed account. If the check is not redeemed and the rent satisfied by the 15th of the month, the rent will be considered unpaid.**

**\* The PHA will always consider the rent unpaid when a check is returned as NSF or a check is written on a closed account.**

**\*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.**

## 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.

In compliance with the HUD Final Rule on Smoke-Free Housing, the Sandusky MHA adopted on March 8, 2017, a graduated enforcement charge for violators of the Smoke-Free requirement as a condition of continued occupancy which incorporates the requirement that residents in public housing, members of a resident's household, resident's guest(s), or other persons under the resident's control must not engage in any smoking of prohibited tobacco products in restricted areas including public housing living units, interior common areas and outdoor areas of public housing and administrative office buildings. Effective for enforcement as of June 1, 2018, the graduated enforcement charge follows: The first incident shall result in a warning and \$25 charge; the second incident shall result in increased inspection of the resident's housing unit and a \$50 charge; the third incident shall result in further increased inspection of the resident's housing unit and a \$75 charge; the fourth incident shall result in a \$100 charge; and any further incidents will result in termination of tenancy and then pursuit of eviction action for repeated violation of the lease.

## K. MODIFICATIONS TO THE LEASE

Schedules of special charges and rules and regulations are subject to modification or revision. Tenants will be provided at least thirty 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:

**\* Hand delivered to the dwelling unit.**

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. INSPECTIONS OF PUBLIC HOUSING UNITS

### Initial 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 initial inspection, signed by the PHA and the tenant, will be kept in the tenant file.

**\* Any adult member may sign the inspection form for the head of household.**

### Vacate Inspections

The PHA Inspection Department will access the Vacate Report prepared by housing management staff and 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 resident is encouraged to participate in the move-out inspection.**

***Residents who do not participate in the move out inspection may not dispute the outcome of the inspection should tenant-caused damages be noted.***

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.

### **Annual Inspections**

The PHA will inspect all units annually using HUD's minimum Housing Quality Standards (HQS) as a guideline.

- \* Residents who "fail" the inspection due to housekeeping or tenant-caused damages will be given seven (7) days to correct noted items. Another inspection will be conducted.**
- \* Residents will be issued a copy of the inspection report with required corrections.**
- \* If necessary to bring the unit into HQS 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.**
- \* 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 may be in violation of their lease.**
- \* Residents who are in violation of their lease due to repeated failed inspection will be scheduled for a lease violation conference.**

### **Quality Control Inspections**

The housing management staff will conduct periodic quality control inspections to determine the condition of the unit and to identify problems or issues in which the PHA can be of service to the family.

The PHA Inspection staff will conduct quality control inspections on **15%** units

- \* in which housing management staff requested an inspection:**
- \* where repairs were made to vacant units generated by move-out inspections**

The purpose of these quality control inspections is to assure that repairs were completed at an acceptable level of craftsmanship and within an acceptable time frame.

- \* The property manager will conduct periodic inspections to determine the condition of the unit and to identify problems or issues in which the PHA can be of service to the family.**

### **Special Inspections**

Housing management staff may conduct a special inspection for housekeeping, unit condition, or suspected lease violation.

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 inventory.

### **Other Inspections**

- \* The PHA occupancy staff will periodically conduct windshield and/or walk-through inspections to determine whether there may be lease violations, or adverse conditions.**
- \* Playground inspections are conducted quarterly 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 24 hours from the time the work order is issued.

#### **Emergency Repairs to be Completed in Less than 24 Hours**

The following items are to be considered emergency in nature and require immediate (less than 24 hour) response:

- \* Lock-out (with proper identification of resident)**
  - \* Broken lock which affects unit security**
  - \* Broken window glass which affects unit security, is a cutting hazard, or occurs within inclement weather (to be secured or abated)**
  - \* Escaping gas**
  - \* Plumbing leaks which have the capacity to create flooding or cause damage to the unit**
  - \* Natural gas leaks or smell of fumes**
  - \* Backed-up sewage**
  - \* Electrical hazard**
- \* 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.**

**\* Residents who disengage smoke detectors for convenience purposes *or for any other reason without notifying housing management immediately* will be cited. (See "Housekeeping Citations" below)**

### **Entry of Premises Notices**

The PHA will give prior written notice for non-emergency inspections. Non-emergency entries to the unit will be made during reasonable hours of the day.

**\* The PHA will provide the family with 48 hour notice prior to entering the unit for non-emergency reasons other than the annual inspection.**

**\* An adult family member must be present in the unit during the inspection. *The adult must be listed on the lease, or the head of household must notify the management staff if another adult will be in attendance.***

**\* If no person is at home, the inspector and another staff member will enter the unit and conduct the inspection.**

**\* If no one is in the unit, the person(s) who enters the unit will leave a written notice to the resident explaining the reason the unit was entered and the date and time.**

**\* 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:
- Inspections and maintenance
- To make improvements and repairs
- To show the premises for leasing
- In cases of emergency

**\* The family must call the PHA at least 24 hours prior to the scheduled date of inspection to reschedule the inspection, if necessary.**

**\* The PHA will reschedule the inspection no more than twice unless the resident has a verifiable medical reason which has hindered the inspection. The PHA may request verification.**

**\* Repairs requested by the family will not require prior notice to the family. Residents are asked at the time maintenance is requested if maintenance staff has permission to enter.**

### **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 to 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 PHA will reschedule the inspection no more than twice unless the resident has a verifiable medical reason which has hindered the inspection. The PHA may request verification.**

**\* 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.**

### **Housekeeping Citations**

Residents who "fail" an inspection due to housekeeping will be issued a Housekeeping Citation, and a reinspection will be conducted within **seven (7)** working days by housing management staff.

If the family fails to comply with the reinspection it can result in lease termination.

**\* Citations will be issued to residents who purposely and for convenience disengage the unit's smoke detector.**

**\* More than three (3) such citations will be considered a violation of the lease.**

### **Tenant Damages**

Repeated failed inspections or damages to the unit beyond normal wear and tear may constitute serious or repeated lease violations.

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

## **Chapter 10**

### **PET POLICY – ELDERLY/DISABLED PROJECTS**

This chapter does not apply to Sandusky MHA Public Housing.

## Chapter 11

### PET POLICY – GENERAL OCCUPANCY (FAMILY) PROJECTS [24 CFR Part 960, Subpart G]

#### INTRODUCTION

*[INSTRUCTION: HUD regulations at 24 CFR Part 960, Subpart G describe the PHA's options regarding pet policies for general occupancy projects. For pet policies concerning developments for the elderly and persons with disabilities see the previous chapter. PHAs cannot prohibit or prevent any tenant from owning common household pets.]*

*[PHA Annual Plans are required to contain information regarding the PHA's pet policies for public housing units, excluding public housing developments for the elderly and persons with disabilities. As with all components of the Annual Plan, the PHA pet policy for family projects is subject to public hearing, Resident Advisory Board consultation and HUD review.]*

**\*This Chapter explains the PHA's policies on the keeping of pets in general occupancy projects and any criteria or standards pertaining to the policy. The rules adopted are reasonably related to the legitimate interest of this PHA to provide a decent, safe and sanitary living environment for all tenants, to protecting and preserving the physical condition of the property, and the financial interest of the PHA.**

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.

#### **A. ANIMALS THAT ASSIST, SUPPORT OR PROVIDE SERVICE TO PERSONS WITH DISABILITIES**

**The resident/pet owner will be required to qualify animals (for exclusion from the pet policy) that assist, support or provide service to persons with disabilities.**

Pet rules will not be applied to animals that assist, support or provide service to 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. (8-1-00, 11-2)

#### **B. STANDARDS FOR PETS**

*[INSTRUCTION: The regulations state that the PHA pet rules may contain a reasonable definition of common household pets, but the PHA's pet rules may not conflict with State/local law. The HUD regulations for elderly/disabled projects in 24 CFR 5.306(1) are a good guide to determine what is "reasonable" if challenged. The standards below are a suggestion and may be changed to your PHA's preference.]*

## **Types of Pets Allowed**

No types of pets other than the following may be kept by a resident. The following types and qualifications are consistent with applicable State and local law.

*Only one type of pet is allowed per household.*

### **1. Dogs**

**\* Maximum number: [1]**

**\* Maximum adult weight: [30] pounds**

*Maximum adult height: 18 inches from ground to shoulder*

**\* Must be housebroken**

**\* Must be spayed or neutered by six (6) months of age, or before Pet Agreement is signed.**

**\* Must have all required inoculations**

**\* Must be licensed annually if more than three 3 months old as specified now or in the future by State law and local ordinance (ORC 955.01)**

**\* Any litter resulting from the pet must be removed immediately from the unit**

### **2. Cats**

**\* Maximum number: [1]**

**\* Must be declawed**

**\* Must be spayed or neutered by six (6) months of age, or before Pet Agreement is signed**

**\* Must have all required inoculations**

**\* Must be trained to use a litter box or other waste receptacle**

**\* Must be licensed as specified now or in the future by State law or local ordinance**

**\* Any litter resulting from the pet must be removed from the unit immediately**

### **3. Birds**

**\* Maximum number [2] if size of parakeet or smaller; only 1 permitted if larger \*  
Must be enclosed in a cage at all times**

### **4. Fish**

Maximum aquarium size [10] gallons

**\* Must be maintained on an approved stand**

*Must be fresh water fish only*

5. Rodents (hamster, or gerbil ONLY)

Maximum number [2]

\* **Must be enclosed in an acceptable cage at all times**

\* **Must have any or all inoculations as specified now or in the future by State law or local ordinance**

\* **[List other types of pets allowed.] *None listed.***

The following are NOT considered "common household pets":

\* **Domesticated dogs that exceed [30] pounds *and 18" in height.*** (Animals certified to assist persons with disabilities are exempt from this weight limitation).

\* **Vicious or intimidating pets. Dog breeds including [pit bull/Rottweiler/chow/boxer/Doberman/Dalmatian/German shepherd] are considered vicious or intimidating breeds and are not allowed.**

\* **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.**

\* **Fish in aquariums exceeding [10] gallons in capacity.**

\* **Non-human primates.**

\* **Animals whose climatological needs cannot be met in the unaltered environment of the individual dwelling unit.**

\* **Pot-bellied pigs.**

\* **Ferrets, hedgehogs or other animals whose natural protective mechanisms pose a risk of serious bites and/or lacerations to small children.**

\* **Chicks, turtles, or other animals that pose a significant risk of salmonella infection to those who handle them.**

\* **Pigeons, doves, mynahs, psittacines, and birds of other species that are hosts to the organisms that cause psittacosis in humans.**

\* **Snakes or other kinds of reptiles.**

## C. REGISTRATION OF PETS

*[INSTRUCTION: There is no HUD requirement that families register pets with the PHA, but many PHAs do establish such requirements. The purpose is to ensure that there is a standard to document the health, suitability and acceptability of the pet. Registration requirements may not conflict with State or local law.]*

**\* Pets must be registered with the PHA before they are brought onto the premises.**

**\*Registration includes certificate signed by a licensed veterinarian or State/local authority that the pet:**

**\* has received all inoculations required by State or local law**

**\* has no communicable disease(s) (and)**

**\* is pest-free.**

**\* Registration must be renewed and will be coordinated with the annual reexamination date.**

**\* Proof of license and inoculation will be submitted at least [30] days prior to annual recertification date.**

**\* Each pet owner must provide two color photographs of their pet(s).**

*The PHA will make arrangements with the pet owner to photograph the pet at the PHA's expense. In the case of dogs and cats, photos will be taken annually until on or after the pet's second birthday.*

**\* Each pet owner must display a "Pet Here" sticker, provided by the PHA, which will be displayed *inside* the front storm door /a front window] of the unit at all times.**

**\*Approval for the keeping of a pet shall not be extended pending the completion of these requirements.**

*No animal or pet may be kept in violation of humane or health laws.*

*The PHA will notify the owner of the common household pet if registration of the pet is refused and will state the basis for the rejection, such as size, disposition, etc.*

### **Refusal to Register Pets**

If the PHA refuses to register a pet, a written notification will be sent to the pet owner stating the reason for denial. The notification will be served in accordance with HUD notice requirements.

The PHA will refuse to register a pet if:

- \*The pet is not a “common household pet” as defined in this policy;
- \*Keeping the pet would violate any House Rules;
- \*The pet owner fails to provide complete pet registration information;
- \*The pet owner fails to update the registration annually;
- \*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 the provisions of the lease.
- \* The notice of refusal may be combined with a notice of pet violation.

*A resident who cares for another resident’s pet must notify the PHA and agree in writing to abide by all of the pet rules.*

#### **D. PET AGREEMENT**

(CHECK AGAINST CAHP PET AGREEMENT)

*[INSTRUCTION: There is no HUD requirement that families enter into a Pet Agreement with the PHA, but many PHAs do establish such requirements. The purpose is to ensure that there is a standard to document the health, suitability and acceptability of the pet. Requirements may not conflict with State or local law.]*

- \* Residents who have been approved to have a pet must enter into a Pet Agreement with the PHA.
- \* 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. Feeding is not allowed on porches, sidewalks, patios or other outside areas.
  - \* Tenants are prohibited from feeding stray animals.
  - \* The feeding of stray animals will constitute having a pet without permission of the Housing Authority.

- \* 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 /\$50/other] per occurrence. 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.**
- \*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/ other container provided by the PHA] immediately.**
- \* Pet owners must take precautions to eliminate pet odors.**
- \* 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.**
- \*Mandatory implementation of effective flea control by measures that produce no toxic hazard to children who may come into contact with treated animals.**
- \*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 any 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.

\* Dogs may only be kept in dwelling units with an enclosed yard space. Pet owners may not alter their unit or patio to accommodate an animal.

## **E. LIMITATIONS ON PET OWNERSHIP**

*[INSTRUCTIONS: Residents of particular housing or a particular development could argue to their PHA that there are characteristics of that housing which make various limitations on pet ownership appropriate.]*

***DOGS WILL NOT BE PERMITTED IN DWELLINGS WHERE REAR ENTRANCES FACE THE PLAYGROUND. These addresses include 1262, 1264, 1268, and 1270 Terrace Circle; 1304, 1306, 1312, and 1314 Mosser Drive; and 1318 and 1320 Carmel Court. A map is attached designating further areas of the property where pets are permitted and not permitted.***

## **F. DESIGNATION OF PET-FREE AREAS**

*[INSTRUCTION: CFR 960.707 states that where appropriate to local conditions (including size and type of building), a PHA could institute some pet-free areas. This section is subject to State and local law.]*

The following areas are designated as no-pet areas:

- \* **PHA playgrounds**
- \* **PHA day care centers**
- \* **PHA management offices**
- \* **PHA community centers**
- \* **PHA recreation center areas**
- \* **Other [describe] See E above.**

## **G. PETS TEMPORARILY ON THE PREMISES**

\* **Excluded from the premises are all animals and/or pets not owned by residents, except for service animals.**

\* **Residents are prohibited from feeding or harboring stray animals.**

**\* This rule excludes visiting pet programs sponsored by a humane society or other non-profit organization and approved by the PHA.**

**\* State or local laws governing pets temporarily in dwelling accommodations shall prevail.**

## **H. DEPOSITS FOR PETS**

*[INSTRUCTION: CFR 960.707 allows PHAs to require a refundable pet deposit to cover additional costs attributable to the particular pet. It is not required that the PHA charges a pet deposit. In determining a reasonable pet deposit amount, the PHA could select an amount which will be the higher of the TTP or such reasonable fixed amount as the PHA may require. A good reasonableness standard for the maximum amount to charge is the amount published in the Federal Register by HUD for certain projects on 12-1-86, which was \$300.00. You may permit gradual accumulation of the deposit through specific payments.]*

*The PHA should consult State/local law regarding pet deposits, retention of the deposit, interest, return of the deposit or portion of the deposit to resident, and any other requirements.]*

**\* Tenants with animals must pay a pet deposit of \$300 for a cat or dog or \$50 for all other pets per household for the purpose of defraying all reasonable costs directly attributable to the presence of a particular pet.**

**\*The resident will be responsible for all reasonable expenses directly related to the presence of the animal or pet on the premises, including the cost of repairs and replacement in the apartment, and the cost of animal care facilities if needed.**

**\*These charges are due and payable within 30 days of written notification.**

**\* An initial payment of 50% [on or prior to the date the pet is properly registered and brought into the apartment] on or prior to the date the PHA and Resident enter into a Pet Agreement, and;**

**\* Monthly payments will be paid in an amount not less than 25% for the next two consecutive months until the specified deposit has been paid.**

**\* The PHA reserves the right to change or increase the required deposit by amendment to these rules.**

The PHA will refund the Pet Deposit to the tenant, less any damage caused by the pet to the dwelling unit, within a reasonable time after the tenant moves or upon removal of the pet from the unit.

**\* The refundable pet deposit will be placed in an escrow account. The PHA will refund the unused portion of the deposit, [plus any accrued interest], to the resident within a reasonable time after the resident moves from the project or no longer owns or has a pet present in the resident's dwelling unit.**

\* **The PHA will return the unused portion of the Pet 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 the pet deposit. If the tenant disagrees with the amount charged to the pet deposit, the PHA will provide a meeting to discuss the charges.**

\* **All reasonable expenses incurred by the PHA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including, but not limited to:**

\* **The cost of repairs, cleaning, and replacements to the resident's dwelling unit;**

\* **Fumigation of the dwelling unit;**

\* **Repairs, cleaning, or fumigation of common areas of the project if applicable**

\* **The expense of flea deinfestation shall be the responsibility of the resident.**

\* **If the tenant is in occupancy when such costs occur, the tenant shall be billed for such costs as a current charge.**

\* **If such expenses occur as the result of a move-out inspection, they will be deducted from the pet deposit. The resident will be billed for any amount that exceeds the pet deposit.**

Pet Deposits are not a part of rent payable by the resident.

#### **I. ADDITIONAL PET FEES**

*[INSTRUCTION: CFR 960.707 allows PHAs to require a non-refundable nominal fee to cover the reasonable operating costs to the development relating to the presence of pets. It is not required that the PHA charges this fee. In determining a reasonable nominal fee amount, and if this payment must be an annual fee (rather than a monthly fee), the PHA could consult State/local law.]*

\* **The PHA does not require a non-refundable nominal fee.**

\* **The PHA will charge a non-refundable nominal fee of [\$ insert amount] for [each pet/each household with a pet].**

\* **This fee is intended to cover the reasonable operating costs to the project relating to the presence of pets. Reasonable operating costs to the project relating to the presence of pets include, but are not limited to:**

\* Landscaping costs

\* Pest control costs

\* Insurance costs

\* Clean-up costs

\* **The nominal fee will be assessed** [annually/monthly/other]. *[INSTRUCTION: check State/local law.]*

\* The PHA reserves the right to change or increase the required deposit and/or add a non-refundable fee by amendment to these rules.

## **J. PET WASTE REMOVAL CHARGE**

*[INSTRUCTION: The regulations do not address the PHA's ability to impose charges for house pet rule violations. Charges for violation of PHA pet rules may be treated like charges for other PHA tenancy rules or lease violations.]*

\* A separate pet waste removal charge of \$25.00 per occurrence will be assessed against the resident for violations of the pet policy.

Pet waste removal charges are not part of rent payable by the resident.

## **K. PET AREA RESTRICTIONS**

\* Pets must be maintained within the resident's unit. When outside of the unit (within the building or on the grounds), dogs and cats must be kept on a leash or carried and under the control of the resident or other responsible individual at all times.

\* A common household pet must be effectively restrained and under the control of a responsible person when passing through a common area, from the street to the apartment, etc.

\* Pets are not permitted in common areas including lobbies, community rooms and laundry areas except for those common areas which are entrances to and exits from the building.

*The area designated as the area in which to exercise pets and permit them to relieve themselves will be the lawn area directly behind the resident pet owner's unit. Owners will be responsible for cleaning pet waste from the area immediately as described in Part D of this Policy and the Pet Agreement.*

\* Residents/Pet Owners are not permitted to exercise pets or permit pets to deposit waste on project premises outside of the areas designated for such purposes.

## L. CLEANLINESS REQUIREMENTS

**\* Litter Box Requirements. All animal waste or the litter from litter boxes shall be picked up/emptied [immediately/ daily/ every 2 days/ other specify] by the pet owner, disposed of in heavy, sealed plastic trash bags, and placed in a trash container immediately.**

**\* Litter shall not be disposed of by being flushed through a toilet.**

**\* Litter boxes shall be stored inside the resident's dwelling unit.**

***Removal of Waste From Other Locations.* The Pet Owner shall be responsible for the removal of waste from any animal or pet animal exercise area by placing it in a sealed plastic bag and disposing of it in [an outside trash bin/ other container provided by the PHA] immediately.**

***Any unit occupied by a dog, cat, or rodent may be fumigated at the time the unit is vacated.***

***The 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.***

***All common household pets are to be fed inside the apartment. Feeding is not allowed on porches, sidewalks, patios or other outside areas.***

***Tenants are prohibited from feeding stray animals on the property.***

***The feeding of stray animals will constitute having a pet without permission of the PHA.***

## M. PET CARE

**\* No pet (excluding fish) shall be left unattended in any apartment for a period in excess of the following: dogs or cats, twelve (12) hours; all other pets, 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.**

## N. RESPONSIBLE PARTIES

The resident/pet owner will be required to designate two responsible parties for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet.

## O. INSPECTIONS

*[INSTRUCTION: In order to utilize this provision, you must be sure it is included in the lease agreement.]*

**\* The PHA may, after giving 48-hour notice to the tenant during reasonable hours, enter and inspect the premises, in addition to other inspections allowed.**

*In an emergency situation, entry will be made immediately. Notice will be given the pet owner at such emergency entry, giving the reason for such entry.*

**\* The PHA may enter and inspect the unit only if a written complaint is received alleging that the conduct or condition of the pet in the unit is a violation, or constitutes a nuisance or threat to the health or safety of the other occupants or other persons in the community under applicable State or local law.**

## P. PET RULE VIOLATION NOTICE

*[INSTRUCTION: 24 CFR Part 960 Subpart G does not contain pet rule violation procedures. The lease incorporates the pet rules and states that the tenant agrees to comply with the rules, and that violations of the pet rules may be grounds for removal of the pet or for termination of tenancy. We suggest you include pet rule violation procedures and have included some model violation procedures here to give you an idea of what HUD may consider as "reasonable."]*

**\* The authorization for a common household pet may be revoked at any time subject to the Housing Authority's grievance procedure if the pet becomes destructive or a nuisance to others, or if the tenant fails to comply with this policy.**

Residents who violate these rules are subject to:

**\* Mandatory removal of the pet from the premises within 30 days of notice by the Housing Authority; or if for a threat to health and safety, removal within 24 hours of notice.**

**\* Lease termination proceedings.**

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:

That the resident/pet owner has **seven (7) calendar** 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;

That the resident pet owner is entitled to be accompanied by another person of his or her choice at the meeting; and

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.

#### **Q. 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:

A brief statement of the factual basis for the PHA's determination of the Pet Rule that has been violated;

The requirement that the resident/ pet owner must remove the pet within **seven (7)** days of the notice; and

A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures.

#### **R. TERMINATION OF TENANCY**

The PHA may initiate procedures for termination of tenancy based on a pet rule violation if:

The pet owner has failed to remove the pet or correct a pet rule violation within the time period specified; and

The pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease.

#### **S. 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. This includes pets that are poorly cared for or have been left unattended for over **as follows: dogs and cats, twelve (12) hours; other pets, not including fish, 24 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, **or the PHA may place the pet in a proper facility for up to 30 days. If there is no other solution at the end of 30 days, the PHA may donate the pet to a humane society. Cost of this professional care will be borne by the pet owner.**

**\* 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.**

## **T. EMERGENCIES**

*[INSTRUCTION: If there is no State or local authority authorized to remove a pet that becomes vicious or displays signs of severe illness, the PHA may wish to place a provision in the lease permitting the PHA to enter the premises (if necessary), and to remove the pet. The PHA may take such action with the pet as may be permissible under State law, which may include placing it in a facility that will provide care and shelter for a period not to exceed 30 days. This lease provision would be initiated if the PHA requests the pet owner to remove the pet immediately, and the pet owner refuses to do so, or if the PHA is unable to contact the pet owner to request a removal of the pet.]*

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 12

### REEXAMINATIONS

[24 CFR 5.613, 24 CFR 5.61524 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 a reexamination of income, deductions and allowances at least once every three years. See chapter on **Determination of Total Tenant Payment**, for more information about flat rent methodology. To determine the amount of income-based rent, it is necessary for the PHA to perform a reexamination of the family's income. At the annual reexamination, families who choose to pay income-based rent must report their current household composition, income, deductions and allowances. Between regular annual reexaminations, 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 reexaminations. 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:

Qualify as a family as defined in this policy;

Are in full compliance with the obligations and responsibilities described in the dwelling lease;

Whose family members, age 6 and older, each have submitted their Social Security numbers or have certifications on file that they do not have a Social Security number;

Whose family members have submitted required citizenship/eligible immigration status/noncontending documents.

#### **B. ANNUAL REEXAMINATIONS**

The terms *annual recertification* and *annual reexamination* are synonymous.

In order to be recertified, 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 recertified every three years. For families who move in on the first of the month, the annual recertifications will be completed within 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, the following year.)

For families who move in during the month, the annual recertifications 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 recertification is August 1.)

When families move to another dwelling unit:

**\* The annual recertification date will not change.**

### **Reexamination Notice to the Family**

All families will be notified of their obligation to recertify by first class mail. The notification shall be sent at least **120** 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, with an estimate of what the income-based rent would be and a statement of what the flat rent is.

**\* The family will indicate whether the family chooses income-based or flat rent by checking the appropriate box on the document, signing the document, and returning the document to the PHA.**

**\* If the family chooses flat rent, no reexamination appointment will be necessary.**

### **Methodology**

If the family chooses income-based rent, or if the family has paid the flat rent for three (3) years, the PHA will use the following methodology for conducting annual recertifications:

**\* To notify the family of their obligation to recertify, and permit the family to schedule the date and time of appointments [by telephone/in writing].**

### **Persons with Disabilities**

Persons with disabilities, who are unable to come to the PHA's office will be granted an accommodation of conducting the interview **at the person's home**, upon verification that the accommodation requested meets the need presented by the disability.

### **Collection of Information**

**INSTRUCTION:** PHAs utilize two basic methods of data collection: 1) PHA allows the family to complete a recertification form, then reviews the form with the family; or 2) The housing interviewer interviews the family, asks the questions and records the answers on the recertification forms. This system utilizes the Personal Declaration Form so that the PHA has information in the family representative's own handwriting.

**\* The family is required to complete the annual recertification form.**

**\* The family is required to complete a *Personal Declaration* form prior to all annual and interim recertification interviews.**

### **Requirements to Attend**

The following family members will be required to attend the recertification interview and sign the application for continued occupancy:

**\* The head of household *or* spouse**

If the head of household *or spouse* is unable to attend the interview:

**\* The appointment will be rescheduled.**

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

The written notification will explain which family members are required to attend the recertification interview. The family may call to request another appointment date up to **the date of** 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, the PHA will

**\* Terminate tenancy for the family.**

**\* Exceptions to these policies may be made by Executive Director or Occupancy Specialist if the family is able to document an emergency situation that prevented them from canceling or attending the appointment.**

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

In the notification letter to the family, the PHA will include instructions for the family to bring the following:

**\* Documentation of income for all family members**

\* **Documentation of liquid and non-liquid assets**

\* **Documentation to substantiate any deductions or allowances**

\* **The Personal Declaration Form *will be* completed by head of household *or spouse at the recertification appointment***

### **Verification of Information**

All information which 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 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:

the continued eligibility of the resident as a *family* or as the *remaining member* of a family;

the unit size required by the family;

the amount of rent the family should pay.

### **Changes In The 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 anniversary date.

If less than thirty days are remaining before the anniversary date, 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 reexamination processing, there will be a retroactive increase in rent to the anniversary date.

#### **Tenant Rent Decreases**

If tenant rent decreases, it will be effective on the anniversary date.

If the family causes a delay so that the processing of the reexamination is not complete by the anniversary date, rent change will be effective on the first day of the month following completion of the reexamination processing by the 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 recertification.**

### **C. REPORTING INTERIM CHANGES**

Families must report all changes in household composition to the PHA between annual reexaminations. 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 staff would use for an annual reexamination, except for effective dates of changes. In such case, the Interim Reexamination Policy would be used.**

**\* The annual reexamination date will not change as a result of this action.**

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 Reexamination Policy**

*INSTRUCTIONS: HUD permits PHAs to decide if increases in income and assets must be reported by the family, when increases must be reported, and whether or not interim adjustments will be done when there is an increase in income. Even if the PHA does not do interim adjustments when families have an increase in income, the PHA can still require families to report any increases.*

#### **Increases in Income to be Reported**

Families paying flat rent are not required to report any increases in income or assets.

**\* Families are not required to report any increases in income or assets until the annual recertification, unless a new family member joins the household (see C. Reporting Interim Changes.) or a family has previously had zero income.**

#### **Increases In Income and Rent Adjustments**

**\* The PHA will not process rent adjustments resulting from any increase in income until the next regularly scheduled recertification, other than when a new member joins the household.**

**\* Rent increases (except those due to misrepresentation) require 30 days' notice.**

### **Decreases in Income and Rent Adjustments**

Residents may report a decrease in income and other changes, such as an increase in allowances or deductions which 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 30 calendar days.

**\* The PHA will process rent adjustments whenever there is a decrease in income**

## **D. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS**

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:

The expiration of a lifetime time limit on receiving benefits; or

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.

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:

The amount of the benefit reduction

The term of the benefit reduction

The reason for the reduction

Subsequent changes in the term or amount of benefit reduction

Imputed welfare income will be included at annual and interim reexaminations 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 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 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.

### **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:

An explanation for the PHA's determination of the amount of imputed welfare income.

A statement that the tenant may request a grievance hearing.

**\*A statement that the grievance 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.**

**\*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**

**\*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 reexamination will be scheduled for families with zero income **every 60 days for such time as the income remains at zero.**

**\*If there is a change from benefit income to employment income, the PHA will defer the family's rent increase until the annual reexamination, in order to encourage families to move to self-sufficiency. This incentive will only be provided once to any family member.**

**\* If the family member leaves the job without good cause after six months and before twelve months, the rent will be calculated retroactively to include the employment income.**

**\* This incentive is not provided to persons who work seasonally.**

**\* In the following circumstances, the PHA may conduct the interim recertification by mail:**

**\* Changes that will not result in a change in tenant rent.**

**\* Changes in income that are normal for the family, such as seasonal employment.**

**\* As a reasonable accommodation when requested. (See Chapter titled "Statement of Policies and Objectives")**

Any changes reported by residents other than those listed in this section **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 reexamination, an interim reexamination 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 to the PHA within ten working days of when the change occurs. Any information, document or signature needed from the family which is needed to verify the change must be provided within three (3) working days of the change.

**\* An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within [number of ] days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.**

If the change is not reported within the required time period, or if the family fails to provide signatures, certifications or documentation, (in the time period requested by the PHA ), it will be considered 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:

Increases in the Tenant Rent are effective on the first of the month following at least thirty days' notice.

Decreases in the Tenant Rent are effective the first of the month following the month in which the change is reported.

**\* The change will not be made until the third party 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 reexamination processing and the following guidelines will apply:

**Increase in Tenant Rent** will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any

underpaid rent, and may be required to **sign a Repayment Agreement or make a lump sum payment.**

**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 after the required thirty days' notice prior to the first of the month after completion of processing by the PHA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

## **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 inform the PHA and request approval of additional family members other than additions due to birth, adoption, marriage, court-awarded custody before the new member occupies the unit.

**\* 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.**

All changes in family composition must be reported within **[number]** working days of the occurrence in writing.

If an adult family member is declared permanently absent by the head of household, the notice must contain a certification by the head of household **[or spouse]** that the member (who may be the head of household) removed is permanently absent.

**\* The head of household must provide a statement that the head of household [or spouse] will notify the PHA if the removed member returns to the household for a period longer than the visitor period allowed in the lease.**

### **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:

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

**\* Addition of a PHA-approved live-in attendant.**

**\* Addition due to birth, adoption or court-awarded custody.**

**\* Families who need a larger sized unit because of voluntary additions will have lower priority on the Transfer List than other families who are required to change unit size.**

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 allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition. The 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 consecutive 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, with PHA permission, for more than **30** consecutive days, 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 which 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 **two (2)** consecutive months **or 60 days in a 12 month period** 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 **180** consecutive 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 **60** consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered

permanently absent if s/he is incarcerated for **two** consecutive *months or 60 days in a twelve month period*. The rent and other charges must remain current during this period.

**\* The PHA will determine if the reason for incarceration is for drug-related or criminal activity which would threaten the health, safety and right to peaceful enjoyment of the dwelling unit by other residents.**

### **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 **two (2)** months from the date of removal of the child(ren), the family will *may* be required to move to a smaller size unit. ***This determination will be made on a case by case basis, after consulting with staff from agencies working with the family.*** 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 the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the PHA will treat that adult as a visitor for the first **60** calendar days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, and the caretaker qualifies under Tenant Suitability criteria, the lease will be transferred to the caretaker.

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

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

**\* The PHA will transfer the lease to the caretaker, in the absence of a court order, if the caretaker qualifies under the Tenant Suitability criteria and has been in the unit for more than 180 days and it is reasonable to expect that custody will be granted.**

When the PHA approves a person to reside in the unit as caretaker for the child(ren), the income of the caretaker 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 **two (2) months**, the person will be considered permanently absent.

If an adult child goes into the military and leaves the household, they will be considered permanently absent.

Full time students who attend school away from the home will be treated in the following manner:

**\* A student (other than head of household or spouse) who attends school away from home but lives with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total**

**household income, the member will not be included on the lease, and the member will not be included for determination of unit size.**

**\* If the student is considered temporarily absent from the household, applicable income for that person will be counted.**

**Visitors (See Chapter on Leasing)**

Any adult not included on the HUD 50058 who has been in the unit more than **14** consecutive days, or a total of **14** cumulative days in the month *or 36 days in a 12-month period*, will be considered to be living in the unit as **an unauthorized** household member.

**\* Absence of evidence of any other address will be considered verification that the visitor is an unauthorized household member.**

**\* Statements 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

Driver's license verification

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 **180** days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than **180** days per year, the minor will be considered to be an eligible visitor and not a family member.

In a joint custody arrangement, if the minor is in the household less than **180** days per year, the minor will be considered to be an eligible visitor and not a family member. If both parents reside in Public Housing, only one parent would be able to claim the child for deductions and for determination for the occupancy standards.

## **H. REMAINING 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:**

**\* The court has to have awarded emancipated minor status to the minor or is legally married; or**

**\* 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. (Reference chapter on Occupancy Standards)

**\* 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.**

**\* 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.**

## **J. CONTINUANCE OF ASSISTANCE FOR "MIXED" FAMILIES**

Under the Noncitizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

"Mixed" families who were participants on June 19, 1995, shall continue receiving full assistance if they meet the following criteria:

The head of household, co-head or spouse is a U.S. citizen or has eligible immigrant status; AND

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 Terminations").

## Chapter 13

### 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 **30-day** advance notice as defined in the lease agreement.

#### **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. See Chapter on Community Service.**
- \* **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:] [NOTE YOUR LEASE].**
  - \* **Nonpayment of rent or other charges due under the Lease, or repeated chronic late payment of rent;**
  - \* **Failure to provide timely and accurate statements of income, assets, expenses and family composition at Admission, Interim, Special or Annual Rent Recertifications;**
  - \* **Assignment or subleasing of the premises or providing accommodation for boarders or lodgers;**
  - \* **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;**
  - \* **Failure to abide by necessary and reasonable rules made by the Landlord for the benefit and well-being of the housing project and the Tenants;**

- \* Failure to abide by applicable building and housing codes materially affecting health or safety;
- \* Failure to dispose of garbage waste and rubbish in a safe and sanitary manner;
- \* Failure to use electrical, plumbing, sanitary, heating, ventilating, air conditioning and other equipment, including elevators, in a safe manner;
- \* Acts of destruction, defacement or removal of any part of the premises, or failure to cause guests to refrain from such acts;
- \* 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; or
- \* 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)).
- \* If contraband or a controlled substance is seized on the above premises, incidental to a lawful search or arrest, the Landlord (the PHA) will be notified by the County Attorney's Office that it is to bring an unlawful detainer action against that Tenant. The Landlord (PHA) will then commence unlawful detainer procedures to terminate the Lease.
- \* Alcohol abuse that the PHA determines interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.
- \* Non-compliance with Non-Citizen Rule requirements. \*
- \* More than four (4) incidences of violation of the agency's Smoke-Free Housing Policy [24 CFR 966.4(f)(12)(i); 24 CFR965.653(a)].
- \* Other good cause.

## C. 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 and delivered to tenant or adult member of the household or 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 determine whether a reasonable accommodation would eliminate the need for a lease termination.**

### **Timing of the Notice**

If the PHA terminates the lease, written notice will be given as follows:

At least 14 calendar days prior to termination in the case of failure to pay rent;

A reasonable time, **defined in the lease as *three (3) calendar days***, considering the seriousness of the situation when the health or safety of other residents or PHA employees is threatened;

At least thirty 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 and permanently 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 twelve (12) 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 which could be supported by evidence of rehabilitation.

**\*The PHA will not waive this policy *except as follows:***

**\* 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.**

### **Civil Activity**

For units covered by 24 CFR part 965, subpart G, any smoking of prohibited tobacco products in restricted areas, as defined by 24 CFR 965.653(a), or in other outdoor areas that the PHA has designated as smoke-free. The PHA will terminate the tenancy of program participant households who violate the smoke-free housing policy more than four (4) times which is to be enforce effective June 1, 2018.

## **D. RECORD KEEPING**

**\* A written record of every termination and/or eviction shall be maintained by the PHA at the development where the family was residing, and shall contain the following information:**

**\* Name of resident, number and identification of unit occupied;**

**\* 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;**

**\* 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);**

**\* Date and method of notifying the resident;**

**\* Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions.**

**\* Records for persons whose leases were terminated for any reason will be kept by the PHA indefinitely.**

## **E. TERMINATIONS DUE TO INELIGIBLE IMMIGRATION STATUS**

[24 CFR 5.514]

Families who were participants on June 19, 1995, but are ineligible for continued assistance due to the ineligible immigration status of all members of the family, or because a "mixed" family chooses not to accept proration of assistance, were eligible for temporary deferral of termination of assistance to permit the family additional time for transition to affordable housing.

Deferrals may have been granted for intervals not to exceed six months, up to an aggregate maximum of three years for deferrals granted prior to 11/29/96 **or up to 18 months if granted after 11/29/96.**

However, due to the timeframe applicable to the deferral period, current families are no longer eligible for deferral of termination of assistance.

**\* Families will be notified in writing at least 60 days in advance of the expiration of the deferral period that termination of assistance will not be deferred because:**

**granting another deferral will result in an aggregate deferral period of longer than the statutory maximum (three years for deferrals granted before 11/29/96;**

**18 months for deferrals granted after 11/29/96), or**

**a determination has been made that other affordable housing is available.**

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 **36 months.** This provision does not apply to a family if the eligibility of the ineligible individual was considered in calculating any proration of assistance provided for the family.

## Chapter 14

### COMPLAINTS, GRIEVANCES AND APPEALS [24 CFR 966 Subpart B]

#### INTRODUCTION

The informal 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 Manager (Occupancy Staff). Anonymous complaints will be checked at the discretion of the Occupancy Specialist or Executive Director. 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 complaints regarding physical condition of the units may be reported by phone to the **Occupancy Specialist or Executive Director.**

**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 **Occupancy Specialist or Executive Director.**

**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 **Executive Director.**

#### 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 detailing their individual status, stating the reason for their ineligibility, and offering them an opportunity for an informal hearing.

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Applicants must submit their request for an informal hearing in writing to the PHA within **five (5)** working 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 **five (5)** working 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 **five (5)** working 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 FOR "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 notifies the applicant or tenant within ten days of their right to appeal to the INS within thirty 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 days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen 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:

Deny the applicant family.

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:

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

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 presented to the PHA or at the site/management office informally or as part of the informal hearing process.

**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.

Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction;

Opportunity for the tenant to examine all relevant documents, records, and regulations of the PHA prior to the trial for the purpose of preparing a defense;

Right of the tenant to be represented by counsel;

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;

A decision on the merits of the case.

### **Applicability**

***INSTRUCTION:*** *This provision is applicable in "due process" States only.*

This Grievance Procedure applies to all individual grievances, 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 *off* such premises; or

Any criminal activity that resulted in felony conviction of a household member.

### **Pre-Hearing Procedures**

#### **Informal Conference Procedures**

Any grievance shall be presented orally or in writing to the PHA office or to the housing management office that sent the notice on which the grievance is based. Written grievances must be signed by the complainant. The grievance must be presented within a reasonable time, **within five (5) working days after the action or failure to act** which is the basis for the grievance. It may be simply stated, but shall specify:

The particular grounds upon which it is based,  
The action requested; and

The name, address, and telephone number of the complainant, and similar information about the complainant's representative, if any.

The purpose of the initial discussion is to discuss and to resolve the grievance without the necessity of a formal hearing.

Within five working days, a summary of this discussion will be given to the complainant by a PHA representative. One copy will be filed in the tenant's file.

The summary will include: names of participants, the date of the meeting, the nature of the proposed disposition, and the specific reasons for the disposition. The summary will also specify the steps by which a formal hearing can be obtained.

#### Dissatisfaction with Informal Conference

If the complainant is dissatisfied with the proposed disposition of the grievance, s/he shall submit a written request for a hearing within **five (5)** working days of the **date** of the summary of the informal meeting.

The request for a hearing must be presented to the PHA's central office legal department.

The request must specify the reason for the grievance request and the relief sought. Failure to Request a Formal Hearing

If the complainant does not request a formal hearing within **five (5)** working days, s/he waives his/her right to a hearing, and the PHA's proposed disposition of the grievance will become final. This section in no way constitutes a waiver of the complainant's right to contest the PHA's disposition in an appropriate judicial proceeding.

#### Right to a Hearing

After exhausting the informal conference procedures outlined above, a complainant shall be entitled to a hearing before a hearing officer.

**\* The head of household or other adult household member must attend the hearing.**

**\* If the complainant fails to appear within ten (10) minutes of the scheduled time, the complainant waives their right to a hearing.**

The PHA will provide reasonable accommodation for persons with disabilities to participate in the hearing. The PHA must be notified within **48 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 Hearing

##### Informal Prerequisite

All grievances must be informally presented as a prerequisite to a formal hearing.

The hearing officer may waive the prerequisite informal conference if, and only if, the complainant 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, except grievances concerning imputed welfare benefits or use of minimum rent, the complainant shall pay to the PHA all rent due and payable as of the month preceding the month in which the act or failure to act took place. Grievances concerning imputed welfare benefits and minimum rents are exempt from the escrow deposit requirement.

The complainant shall thereafter deposit the same amount of the monthly rent in an escrow account each month until the complaint is resolved by decision of the hearing official or panel.

The PHA may waive these escrow requirements in extraordinary circumstances.

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 complainant may have to contest the PHA's disposition of the grievance in any appropriate judicial proceeding.

### Scheduling

If the complainant complies with the procedures outlined above, a hearing shall be scheduled by the **hearing officer** promptly within **five (5)** working days at a time and place reasonably convenient to the complainant and the PHA.

A written notification of the date, time, place, and procedures governing the hearing shall be delivered to the complainant and the appropriate PHA official.

### Hearing Procedures

The hearing shall be held before a hearing officer.

The complainant shall be afforded a fair hearing and be provided the basic safeguards of due process to include:

The opportunity to examine and to copy before the hearing, **at the expense of the complainant**, all documents, records and regulations of the PHA that are relevant to the hearing with at least a **24** hour notice to the legal department prior to the hearing. Any document not so made available after request by the complainant may not be relied upon by the PHA at the hearing. **Copies cost \$.10 each.**

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. Any documents not so made available to the PHA may not be relied upon at the hearing.

The right to a private hearing unless otherwise requested by the complainant.

The right to be represented by counsel or other person chosen as a representative.

The right to present evidence and arguments in support of the complaint, 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 complainant has received the opportunity for a formal hearing; and

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 complainant or PHA fails 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 complainant's right to appropriate judicial proceedings in another forum.

At the hearing, the complainant 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 by the **hearing officer** as follows:

Informal: 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, complainant, counsel, and other participants and spectators to conduct themselves in an orderly manner. The failure to comply with the directions of the hearing official/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 arranges, in advance, in writing, for a transcript or audiotape of the hearing. Any interested party may purchase a copy of such transcript.

### **Decisions of the Hearing Officer/Panel**

The **hearing officer** shall give the PHA and the complainant a written decision, including the reasons for the decision, within **five (5)** working days following the hearing. The PHA will place one copy in the tenant files. The written decision will be sent to the address provided at the hearing.

The decision of the **hearing officer** shall be binding on the PHA which shall take all actions necessary to carry out the decision, unless the complainant requests Board action within **seven (7)** working days prior to the next Board meeting. The PHA Commissioners' decision will be mailed to the complainant with **in five (5) working** days following the Board meeting, and so notifies the complainant that:

The grievance does not concern the PHA action or failure to act in accordance with or involving the complainant's lease or PHA regulations which adversely affect the complainant's rights, duties, welfare or status;

The decision of the **hearing officer** is contrary to applicable Federal, State, or local law, HUD regulations or requirements of the Annual Contributions Contract between HUD and the PHA.

A decision by the **hearing officer** or PHA Commissioners in favor of the PHA or which denies the relief requested by the complainant in whole or part shall not constitute a waiver of, nor affect in any manner whatever, the rights of the complainant to a trial or judicial review in any proceedings which may thereafter be brought in the matter.

### **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 until it has served a notice to vacate on the tenant.

In no event shall the notice to vacate be issued prior to the decision of the **hearing officer** having been mailed or delivered to the complainant.

Such notice to vacate must be in writing and specify that if the tenant fails to quit 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 complainant. The complainant may be required to pay court costs and attorney fees.

## Chapter 15

### FAMILY DEBTS TO THE PHA

#### INTRODUCTION

This Chapter describes the PHA's policies for the recovery of monies which have been underpaid by families. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the PHA's policy to meet the informational needs of families, and to communicate the program rules in order to avoid family debts. Before a debt is assessed against a family, the file must contain documentation to support the PHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the family or other interested parties.

When families or owners owe money to the PHA, the PHA will make every effort to collect it. The PHA will use a variety of collection tools to recover debts including, but not limited to:

- \* **Requests for lump sum payments**
- \* **Civil suits**
- \* **Payment agreements**
- \* **Collection agencies**
- \* **Credit bureaus**
- \* **Income tax set-off programs**

#### **A. PAYMENT AGREEMENT FOR FAMILIES**

A Payment Agreement as used in this Plan is a document entered into between the PHA and a person who owes a debt to the PHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the PHA upon default of the agreement.

\* **The maximum amount for which the PHA will enter into a payment agreement with a family is \$2,400.**

\* **The maximum length of time the PHA will enter into a payment agreement with a family is 36 months.**

\* **The minimum monthly amount of monthly payment for any payment agreement is \$25.00.**

\* **The PHA will *determine on a case by case basis* the monthly payment.**

#### Late Payments

A payment will be considered to be in arrears if:

**\* The payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.**

If the family's payment agreement is in arrears, the PHA will:

- **Require the family to pay the balance in full**
- **Pursue civil collection of the balance due**
- **Terminate tenancy**

If the family requests a transfer to another unit and has a payment agreement in place and the payment agreement is not in arrears:

**\* The family will be permitted to move.**

### **Payment Schedule for Monies Owed to the PHA**

*Payment schedules will be established so that the total amount due is divided equally (rounded to the nearest dollar) by the number of months over which the debt will be paid. Special payment arrangements may be considered, and all arrangements will be in writing and signed by both parties.*

*The following provides guidelines for staff to follow in establishing a repayment schedule.*

<b><u>Amount Owed</u></b>	<b><u>Maximum Term</u></b>
<b>0 - \$400</b>	<b>2 - 6 months</b>
<b>\$401 - \$800</b>	<b>7- 12 months</b>
<b>\$801 - \$1,200</b>	<b>13 - 18 months</b>
<b>\$1,201 - \$1,600</b>	<b>18 - 24 months</b>
<b>\$1,601 - \$2,000</b>	<b>25 - 30 months</b>
<b>\$2,001 - \$2,400</b>	<b>31 - 36 months</b>

**\* There are some circumstances in which the PHA will not enter into a payment agreement. They are:**

**\* If the family already has a payment agreement in place.**

**\* If the PHA determines that the family has committed program fraud.**

**\* If the PHA determines that the debt, due to fraud or failure to report income, is so large that it would take more than 36 months to repay.**

### **Guidelines for Payment Agreements**

\* **Payment agreements will be executed between the PHA and the head of household and spouse.**

\* **Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the Executive Director.**

\* **No transfer will be approved until the debt is paid in full unless the transfer is the result of the following causes, and the payment agreement is current:**

\* **Family size exceeds the maximum occupancy guidelines**

\* **A natural disaster**

### **Additional Monies Owed**

If the family has a payment agreement in place and incurs an additional debt to the PHA:

\* **The PHA will enter into more than one payment agreement at a time with the same family.**

\* **Additional amounts owed by the family will be added to the existing payment agreement.**

\* **If a payment agreement is in arrears more than 60 days, any new debts must be paid in full.**

## **B. DEBTS DUE TO FRAUD/NON-REPORTING OF INFORMATION**

*INSTRUCTION: There are many differences in the ways that PHAs treat the collection of monies due to misrepresentations and program fraud versus the collection of monies due to owner claims and the untimely reporting of increases in income. We are offering the option here of either treating all monies owed in the same manner, or treating them differently depending on the reason the money is owed.*

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 a lump sum within 60 days. If the family pays the amount in full within this time period, the PHA may continue assistance to the family.**

### **Program Fraud**

\* **Families who owe money to the PHA due to program fraud will be required to repay the amount in full within 60 days. If the full amount is paid within this time period, and the family is still eligible, the PHA may continue assistance to the family.**

If a family owes an amount which equals or exceeds **\$2,400** as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the PHA will refer the case for criminal prosecution.

### **Payment Procedures for Program Fraud**

**\* Families who commit program fraud [or untimely reporting of increases in income] will be subject to the following procedures:**

*INSTRUCTION: Select any compatible combination of the following choices.*

- \* The duration of the agreement will not exceed the duration of the violation.**
- \* The family will be required to pre-pay 25% of the amount owed prior to or upon execution of the payment agreement.**
- \* The minimum monthly payment will be \$25.**
- \* The amount of the monthly payment will be determined in accordance with the family's current income.**

## **C. WRITING OFF DEBTS**

Debts will be written off if:

- The debtor's whereabouts are unknown and the debt is more than two (2) years old.**
- A determination is made that the debtor is judgment proof.**
- The debtor is deceased.**
- The debtor is confined to an institution indefinitely or for more than two (2) years.**

## Chapter 16

### COMMUNITY SERVICE

[24 CFR Part 960 Subpart F and 24 CFR 903.7(l)]

#### A. DEFINITION OF COMMUNITY SERVICE

*The U. S. Department of Housing and Urban Development (HUD) has defined Community Service as “the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community.” Community Service is not employment and may not include political activities (24 CFR Section 960.601).*

#### B. REQUIREMENT

Each adult resident (*18 years and older*) of the PHA shall:

- Contribute 8 hours per month of community service (not including political activities) within the community in which that adult resides; or
- Participate in an economic self-sufficiency program (defined below) for 8 hours per month; or
- Perform 8 hours per month of combined activities (community service and economic self-sufficiency program)

#### C. EXEMPTIONS

The PHA shall provide an exemption from the community service requirement for any individual who:

- *Age 62 years or older;*
- *Blind or disabled (as defined under 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. 416(i)(1); 1382(c) and who certify that because of this disability they are unable to comply with the service provisions; or primary caretakers of such individuals.*
- *Engaged in work activities as defined in section 407(d) of the Social Security Act (41 U.S.C. 607(d)), specified below:*
  1. *unsubsidized employment;*
  2. *subsidized private-sector employment;*
  3. *subsidized public-sector employment;*
  4. *work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;*
  5. *on-the-job-training*
  6. *job-search and job-readiness assistance*
  7. *community service programs;*

8. *vocational educational training (not to exceed 12 months with respect to any individual);*
9. *job-skills training directly related to employment;*
10. *education directly related to employment in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;*
11. *satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate; and*
12. *the provision of child care services to an individual who is participating in a community service program.*

*A tenant participating in one or more of the activities listed in Items 1-12 above must be involved in at least 30 hours of activity per week for a work activity exemption.*

- *Meet the requirements for being exempt from having to engage in a work activity under the State of Ohio's program funded under part A of Title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State of Ohio in which the PHA is located, including a State-administered welfare-to-work program.*
- *If a member of a tenant family receiving TANF assistance, benefits, or service under the State of Ohio's program funded under part A of Title IV of the Social Security Act (42 U.S.C. 601 et seq.); or under any other welfare program of the State of Ohio in which the Sandusky MHA is located, including a State administered welfare-to-work program and has not be found by the State of other Administering entity to be in non-compliance with such program.*
- *(According to federal law[Quality Housing and Work Responsibility Act], a disabled person who is otherwise able to be gainfully employed is not necessarily exempt from the Community Service requirement.)*

The PHA will re-verify exemption status annually except in the case of an individual who is 62 years of age or older.

*At least 30 days before the annual reexamination and/or lease expiration, the PHA will begin reviewing the exempt or non-exempt status and compliance of family members. If the PHA finds a family member to be noncompliant, the PHA will enter into an agreement with the noncompliant member and the Head of Household to make up the deficient hours over the next twelve (12) month period. If, at the next annual reexamination, the family member still is not compliant, the PHA will not be permitted to renew the lease and the entire family will have to vacate, unless the noncompliant member agrees to move out of the unit. The family may use the Authority's Grievance Procedure to protest the lease termination.*

The PHA will permit residents to change exemption status during the year if status changes. When an adult resident's exempt status changes during the year:

- *If, during the twelve-month period, a non-exempt person becomes exempt, it is his/her responsibility to report this to the Authority and provide documentation.*
- *If, during the twelve-month period, an exempt person becomes non-exempt, it is his/her responsibility to report this to the PHA. The PHA will provide the person with the*

*Certification form and a list of agencies in the community that provide volunteer and/or training opportunities.*

#### **D. DEFINITION OF ECONOMIC SELF-SUFFICIENCY PROGRAM**

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 (*but are not limited to*)

- Job training
- Employment counseling
- Work placement
- Basic skills training
- Education
- English proficiency
- Workfare
- Financial or household management
- Apprenticeship
- Any program necessary to ready a participant to work, including substance abuse or mental health treatment.

**\* In addition to the HUD definition above, the PHA definition includes any of the following:**

**\* 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.

#### **E. ELIGIBLE COMMUNITY SERVICE ACTIVITIES**

*Eligible 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 center, hospital, clinic, hospice, nursing home, recreation center, senior center, adult day care program, homeless shelter, feeding program, food bank (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: Boy Scouts, Girl Scouts, 4-H Club, Camp Fire, other children’s recreation, mentoring or education programs, Big Brothers/Big Sisters, community clean-up programs, beautification programs, etc.*

- *Work with any program funded under the Older Americans Act, including but not limited to: Green Thumb, senior meals programs, Senior Center, Meals on Wheels, etc.*
- *Work with any other public or non-profit youth or senior organizations;*
- *Work as an officer of a development or citywide resident organization;*
- *Work as a member of the Sandusky MHA Resident Advisory Board;*
- *Work at the Sandusky MHA to help improve physical conditions (for example, as a floor, grounds, or building worker);*
- *Work at the Sandusky to help with children's programs;*
- *Work at the Authority to help with senior programs;*
- *Helping neighborhood groups with special projects;*
- *Working through a resident organization to help other residents with problems; and*
- *Caring for children of other residents so they may volunteer.*

## **F. PROCESS TO DETERMINE INITIAL ELIGIBILITY OR EXEMPTION STATUS**

*All current residents as of October 2003 and new residents after that date will be given the following information to begin the process in determining eligibility for or exemption from the Community Service program:*

- *Notice to Day Woods Residents dated July 31, 2003;*
- *Community Service Exemption Certificate;*
- *Copy of Dwelling Lease Provision; and*
- *Copy of Community Service Policy.*

*Residents will be required to return the signed/executed Community Service Exemption Certificate (referred to as "Certificate") within seven (7) dates of receipt. Upon receipt of the Certificate, Sandusky MHA staff will verify eligibility or exemption status. The verification process may require staff to meet with individual tenants for the purpose of clarifying any questions that staff may have. Residents may also request a meeting to have any questions answered.*

*Tenants determined to be exempt will be notified of their status and informed of procedures to follow in case their status changes. They will be required to sign a dwelling lease addendum that includes the Community Service program requirements.*

*Tenants determined to be eligible will be asked make an appointment to discuss community service options, procedures to follow, and to sign the dwelling lease addendum as referenced in the paragraph*

*See Part I. of this chapter for residents whose status changes during the year.*

## **G. ANNUAL DETERMINATIONS**

For each public housing resident subject to the requirement of community service, the PHA shall, at least 30 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.

*At each annual reexamination, non-exempt family members must present a completed documentation form (to be provided by the PHA) of activities performed over the previous twelve (12) months. This form will include places for signatures of supervisors, instructors, or counselors certifying to the number of hours contributed.*

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.

## **H. 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, and that:

- The determination of noncompliance is subject to the administrative grievance procedure under the PHA's Grievance Procedures; and
- Unless the resident enters into an agreement to comply with the community service requirement, the resident's lease will not be renewed, and
- 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 an 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 12-month term of the lease.
- The head of household and the noncompliant adult must sign the agreement to cure.
- *If, at the next annual re-examination, the family member still is not compliant, the lease will not be renewed and the entire family will have to vacate, unless the noncompliant member agrees to move out of the unit.*
- **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.

## **J. CHANGE IN EXEMPT STATUS**

*If, during the twelve (12) month period, a non-exempt person becomes exempt, it is his/her responsibility to report this to the PHA and provide documentation of such.*

*If, during the twelve (12) month period, an exempt person becomes non-exempt, it is his/her responsibility to report this to the PHA. The PHA will provide the person with the Certification documentation form and a list of agencies in the community that provide volunteer and/or training opportunities.*

## **K. PHA RESPONSIBILITY**

The PHA will ensure that all community service programs are accessible for persons with disabilities.

The PHA will ensure that:

- The conditions under which the work is to be performed are not hazardous;
- The work is not labor that would be performed by the PHA's employees responsible for essential maintenance and property services; or
- The work is not otherwise unacceptable.

*To the greatest extent possible and practicable, the PHA will:*

- *Provide names and contacts at agencies that can provide opportunities for residents, including disabled, to fulfill their Community Service obligations. (According to federal law [Quality Housing and Work Responsibility Act], a disabled person who is otherwise able to be gainfully employed is not necessarily exempt from the Community Service requirement.)*
- *Provide in-house opportunities for volunteer work or self-sufficiency programs.*

*The PHA will provide the family with exemption verification forms and Certification documentation forms and a copy of this policy at initial application and at lease execution.*

## **L. PHA IMPLEMENTATION OF COMMUNITY SERVICE REQUIREMENT**

*The PHA will make the final determination as to whether or not a family member is exempt from the Community Service requirement. Residents may use the PHA's Grievance Procedure if they disagree with the PHA's determination.*

**\* 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.**

## **M. TENANT SELF-CERTIFICATION FOR COMMUNITY SERVICE & SELF-SUFFICIENCY**

**SMHA reserves the option to implement Self-Certification flexibility when verifying Community Service and Self-Sufficiency Requirement (CSSR) Compliance in accordance with PIH Notice 2016-06 & 24 CFR 960.605, 960.607.**

## Chapter 17

### **VIOLENCE AGAINST WOMEN ACT (VAWA)**

In accordance with VAWA 2005 and 2013, Sandusky Metropolitan Housing Authority incorporated and provides to applicants the following at time of admission to the public housing program:

1. Admission, Occupancy, and Termination of Assistance Policies. Sections 606 and 607 of the VAWA 2005 amendments provide that:
  - a. Being a victim of domestic violence, dating violence, or stalking, as these terms are defined in the law (hereafter collectively referred to as “abuse”), is not a basis for denial of assistance or admission to public or assisted housing if the applicant otherwise qualifies for assistance or admission;
  - b. Incidents or threats of abuse 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 a victim of abuse; and
  - c. 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 that abuse.
2. Rights and Responsibilities of PHAs, Owners, and Managers. The VAWA 2005 amendments, as recently amended by the technical corrections statute, and as applicable to public housing leases, provide that:
  - a. Notwithstanding the restrictions that VAWA 2005 places on admission, occupancy, and terminations of occupancy or assistance, as discussed in paragraph 1, or any federal, state, or local law to the contrary, a PHA, owner or manager may “bifurcate” a lease under this section, or remove a household member from a lease under this section, 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, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant, and 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 relevant program of HUD-assisted housing. VAWA 2005 also provides that the restrictions the law places on admission, occupancy, and termination of occupancy or assistance:
    - i. May not be construed to limit a PHA, owner, or manager from honoring various court orders issued to either protect the victim or address the distribution of property in case a family breaks up;
    - ii. Does not limit any otherwise available authority of a PHA, owner, or manager to terminate assistance or evict due to any lease violation not

- premised on the act of violence in question against the tenant or member of the tenant's household, provided that the owner or manager 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 assistance;
- iii. May not be construed to limit the authority of a PHA, owner, or manager to terminate the assistance of, or evict, any occupant who can be demonstrated to pose an actual or imminent threat to other tenants or the property's employees; and
  - iv. Shall not be construed to supersede any provisions of federal, state, or local laws that provide greater protection for victims of abuse.
- b. VAWA 2013 established that if a covered housing provider exercises the option to bifurcate a lease and the individual who was evicted or for whom assistance was terminated was the eligible tenant under the covered housing program, the covered housing provider shall provide to any remaining tenant or tenants that were not already eligible, unless prohibited, a period of 90 calendar days from the date of the bifurcation of the lease to: 1 – establish eligibility for the same covered housing program under which the evicted or terminated tenant was the recipient of assistance at the time of bifurcation of the lease; or 2 – establish eligibility under another covered housing program; or 3 – find alternative housing. The 90 day period will not apply beyond the expiration of a lease, unless permitted. The covered housing provider may extend the 90 calendar day period up to an additional 60 calendar days, unless prohibited by statutory requirements or unless the time period would extend beyond expiration of the lease. Reference Section 5.2009(b)(2).
3. Certification of Abuse and Confidentiality. Sections 606 and 607 of VAWA 2005, and as recently amended by the technical corrections statute, add certification and confidentiality provisions that allow for a PHA, owner, or manager to request an individual to certify that the individual is a victim of abuse and that the incidences of abuse are bona fide. The certification must include the name of the perpetrator, and any other statutorily required information, and the victim must provide the certification within 14 business days after the individual receives a request for such certification from the PHA, owner, or manager. Without the certification, a PHA, owner, or manager may terminate assistance. All information provided to a PHA, owner, or manager is confidential. Notice of these rights must be given to tenants. The statute allows for the victim to self-certify and also allows for the certification requirement to be satisfied with 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 U.S.C. 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. The statute also allows for the certification requirement to be

satisfied by producing a federal, state, tribal, territorial, or local police or court record.

VAWA 2013 requires keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault or stalking against the tenant which is included in SMHA's emergency transfer form. Further, all information provided to the PHA/owner relating to the incident, including the fact of being a victim must be retained in confidence; this information must not be entered in to any shared data base nor provided to a related entity, except: 1. If requested or consented by the individual in writing; 2. If required for eviction or termination; or 3. Otherwise required by law.

4. Definitions Added to U.S. Housing Act of 1937. Section 606(3) and section 607(5) of VAWA 2005, and as recently amended by the technical corrections statute, also amend section 8(f) and section 6(d) of the U.S. Housing Act of 1937 to provide important definitions of terms, most notably:
  - a. A definition of "domestic violence" (42 U.S.C. 1437f(f)(8) and 42 U.S.C. 436d(u)(3)(A)), which is given the same meaning as this term is defined in section 40002 of the Violence Against Women Act of 1994 (VAWA 1994) as added by VAWA 2005. VAWA 2005 defines "domestic violence" to include "felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by 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";
  - b. A definition of "dating violence" (42 U.S.C. 1473f(f)(9) and 42 U.S.C. 1436d(u)(3)(B)), which is given the same meaning as this term as defined in section 40002 of VAWA 1994, as added by VAWA 2005. VAWA 2005 defines "dating violence" to mean "violence committed by a person (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) The length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship."
  - c. A definition of "stalking" (42 U.S.C. 1437f(f)(10) and 42 U.S.C. 14736d(u)(3)(C)), that differs from the meaning of this term as defined in section 40002 of VAWA 1994, as added by VAWA 2005. The definition that is applicable to HUD's public housing and section 8 assisted programs is a more detailed definition than that provided in section 40002 of VAWA 1994, as amended by VAWA 2005. For HUD covered programs, the definition of "stalking" is defined as follows. "Stalking means (A)(i) to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; or (ii) to place

- under surveillance with the intent to kill, injure, harass, or intimidate another person; and (B) 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 (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person”; and
- d. A definition of “immediate family member” (42 U.S.C. 1437f(f)(11) and 1437d(u)(3)(D)). “Immediate family member” is defined to mean, “with respect to a person (A) a spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in loco parentis; or (B) any other person living in the household of that person and related to that person by blood or marriage.”
5. Further, Sandusky MHA has updated its policy as of March 8, 2017, to adopt regulations in accordance with the 2013 Violence Against Women Act reauthorization. Specifically, Sandusky MHA incorporates the following and use of HUD Forms: HUD 5380, HUD 5381, HUD 5382, and HUD 5383.
- a. SMHA specifies “sexual assault” as a crime covered by VAWA in HUD-covered programs.
  - b. SMHA establishes the definition of “affiliated individual” based on the statutory definition and that is usable and workable for HUD-covered programs.
  - c. SMHA ensures that all existing and new tenants receive notification of their rights under VAWA regulations and that applicants/tenants receive notice at time of denial or termination of assistance.
  - d. The Final Rule published on 11/16/2016 specifically incorporates the following for the voucher program and is adopted by SMHA as of 03/08/2017:

**(Reference § 960.103) Equal opportunity requirements and protection for victims of domestic violence, dating violence, sexual assault, or stalking.**

SMHA (PHA/housing provider) applies the requirements in 24 CFR part 5, subpart L (Protection. for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking). For purposes of compliance with HUD’s regulations in 24 CFR part 5, subpart L, the covered housing provider is the PHA or owner, as applicable given the responsibilities of the covered housing provider as set forth in 24 CFR part 5, subpart L.

**(Reference §960.203) Standards for PHA tenant selection criteria.**

The PHA tenant selection criteria are subject to 24 CFR part 5, subpart L (Protection. for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking). In cases of requests for emergency transfers under VAWA, with the written consent of the victim of domestic violence, dating violence, sexual assault, or stalking, the receiving PHA may accept and use the prior covered housing provider’s determination of eligibility and tenant screening and all related verification information, including form HUD 50058 (Family Report).

**PART 966—PUBLIC HOUSING LEASE AND GRIEVANCE PROCEDURE**

**(Reference § 966.4) Lease requirements.**

HUD's regulations in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking) apply.

To consider lease bifurcation, as provided in 24 CFR 5.2009, in circumstances involving domestic violence, dating violence, sexual assault, or stalking addressed in 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), provided that, if a PHA chooses to bifurcate a lease, no assistance will be given for an individual who does not meet public housing eligibility and 24 CFR 5.508(h)(2) applies to submission of evidence of citizenship or eligible immigration status.

### **Move costs**

The housing provider is not required to bear moving costs that tenants and their household members generally pay, including application fees and deposits, in addition to costs to physically move household and their belongings for emergency transfer.

## **Chapter 18**

### **LEAD-BASED PAINT**

Lead-Based Paint

Reference Subpart L—Public Housing Programs

Reference §35.1100

#### ***PURPOSE AND APPLICABILITY.***

The purpose of this subpart L is to establish procedures to eliminate as far as practicable lead-based paint hazards in residential property assisted under the U.S. Housing Act of 1937 (42 U.S.C. 1437 et seq.) but not including housing assisted under section 8 of the 1937 Act.

Reference §35.1105

#### ***DEFINITIONS AND OTHER GENERAL REQUIREMENTS.***

Reference §35.110

#### ***DEFINITIONS.***

Abatement means any set of measures designed to permanently eliminate lead-based paint or lead-based paint hazards (see definition of “permanent”). Abatement includes:

- (1) The removal of lead-based paint and dust-lead hazards, the permanent enclosure or encapsulation of lead-based paint, the replacement of components or fixtures painted with lead-based paint, and the removal or permanent covering of soil-lead hazards; and
- (2) All preparation, cleanup, disposal, and post abatement clearance testing activities associated with such measures.

Act means the Lead-Based Paint Poisoning Prevention Act, as amended, 42 U.S.C. 4822 et seq.

Bare soil means soil or sand not covered by grass, sod, other live ground covers, wood chips, gravel, artificial turf, or similar covering.

Certified means certified to perform such activities as risk assessment, lead-based paint inspection, abatement supervision, or renovation, either by a State or Indian tribe with a lead-based paint certification program authorized by the Environmental Protection Agency (EPA), in accordance with 40 CFR part 745, subpart Q, or by the EPA, in accordance with 40 CFR part 745, subparts E or L.

Chewable surface means an interior or exterior surface painted with lead-based paint that a young child can mouth or chew. A chewable surface is the same as an “accessible surface” as defined in 42 U.S.C. 4851b(2)). Hard metal substrates and other materials that cannot be dented by the bite of a young child are not considered chewable.

Clearance examination means an activity conducted following lead-based paint hazard reduction activities to determine that the hazard reduction activities are complete and that no soil-lead hazards or settled dust-lead hazards, as defined in this part, exist in the dwelling unit or worksite. The clearance process includes a visual assessment and collection and analysis of environmental samples. Dust-lead standards for clearance are found at §35.1320.

Common area means a portion of a residential property that is available for use by occupants of more than one dwelling unit. Such an area may include, but is not limited to, hallways, stairways, laundry and recreational rooms, playgrounds, community centers, on-site day care facilities, garages and boundary fences.

Component means an architectural element of a dwelling unit or common area identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a kitchen floor, an interior window sill in a bathroom, a porch floor, stair treads in a common stairwell, or an exterior wall.

Composite sample means a collection of more than one sample of the same medium (e.g., dust, soil or paint) from the same type of surface (e.g., floor, interior window sill, or window trough), such that multiple samples can be analyzed as a single sample.

Containment means the physical measures taken to ensure that dust and debris created or released during lead-based paint hazard reduction are not spread, blown or tracked from inside to outside of the worksite.

Designated party means a Federal agency, grantee, subrecipient, participating jurisdiction, housing agency, Indian Tribe, tribally designated housing entity (TDHE), sponsor, or property owner responsible for complying with applicable requirements.

Deteriorated paint means any interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or any paint or coating located on an interior or exterior surface or fixture that is otherwise damaged or separated from the substrate.

Dry sanding means sanding without moisture and includes both hand and machine sanding.

Dust-lead hazard means surface dust that contains a dust-lead loading (area concentration of lead) equal to or exceeding the levels promulgated by the EPA at 40 CFR 745.65 or, if such levels are not in effect, the standards for dust-lead hazards in §35.1320.

Dwelling unit means a:

- (1) Single-family dwelling, including attached structures such as porches and stoops; or
- (2) Housing unit in a structure that contains more than 1 separate housing unit, and in which each such unit is used or occupied, or intended to be used or occupied, in whole or in part, as the home or separate living quarters of 1 or more persons.

Elevated blood lead level means a confirmed concentration of lead in whole blood of a child under age 6 equal to or greater than the concentration in the most recent guidance published by the U.S. Department of Health and Human Services (HHS) on recommending that an environmental intervention be conducted. (When HHS changes the value, HUD will publish a notice in the Federal Register, with the opportunity for public comment, on its intent to apply the changed value to this part, and, after considering comments, publish a notice on its applying the changed value to this part.)

Encapsulation means the application of a covering or coating that acts as a barrier between the lead-based paint and the environment and that relies for its durability on adhesion between the encapsulant and the painted surface, and on the integrity of the existing bonds between paint layers and between the paint and the substrate. Encapsulation may be used as a method of abatement if it is designed and performed so as to be permanent (see definition of “permanent”).

Enclosure means the use of rigid, durable construction materials that are mechanically fastened to the substrate in order to act as a barrier between lead-based paint and the environment. Enclosure may be used as a method of abatement if it is designed to be permanent (see definition of “permanent”).

Environmental investigation means the process of determining the source of lead exposure for a child under age 6 with an elevated blood lead level, consisting of administration of a questionnaire, comprehensive environmental sampling, case management, and other measures, in accordance with chapter 16 of the HUD Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing (“Guidelines”).

Evaluation means a risk assessment, a lead hazard screen, a lead-based paint inspection, paint testing, or a combination of these to determine the presence of lead-based paint hazards or lead-based paint, or an environmental investigation.

Expected to reside means there is actual knowledge that a child will reside in a dwelling unit reserved or designated exclusively for the elderly or reserved or designated exclusively for persons with disabilities. If a resident woman is known to be pregnant, there is actual knowledge that a child will reside in the dwelling unit.

Federal agency means the United States or any executive department, independent establishment, administrative agency and instrumentality of the United States, including a corporation in which all or a substantial amount of the stock is beneficially owned by the United States or by any of these entities. The term "Federal agency" includes, but is not limited to, Rural Housing Service (formerly Rural Housing and Community Development Service that was formerly Farmer's Home Administration), Resolution Trust Corporation, General Services Administration, Department of Defense, Department of Veterans Affairs, Department of the Interior, and Department of Transportation.

Federally owned property means residential property owned or managed by a Federal agency, or for which a Federal agency is a trustee or conservator.

Firm commitment means a valid commitment issued by HUD or the Federal Housing Commissioner setting forth the terms and conditions upon which a mortgage will be insured or guaranteed.

Friction surface means an interior or exterior surface that is subject to abrasion or friction, including, but not limited to, certain window, floor, and stair surfaces.

g means gram, mg means milligram (thousandth of a gram), and  $\mu\text{g}$  means microgram (millionth of a gram).

Grantee means any state or local government, Indian Tribe, IHBG recipient, insular area or nonprofit organization that has been designated by HUD to administer Federal housing assistance under a program covered by subparts J and K of this part, except the HOME program.

Hard costs of rehabilitation means:

- (1) Costs to correct substandard conditions or to meet applicable local rehabilitation standards;
- (2) Costs to make essential improvements, including energy-related repairs, and those necessary to permit use by persons with disabilities; and costs to repair or replace major housing systems in danger of failure; and
- (3) Costs of non-essential improvements, including additions and alterations to an existing structure; but
- (4) Hard costs do not include administrative costs (e.g., overhead for administering a rehabilitation program, processing fees, etc.).

Hazard reduction means measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls or abatement or a combination of the two.

HEPA vacuum means a vacuum cleaner device with an included high-efficiency particulate air (HEPA) filter through which the contaminated air flows, operated in accordance with the instructions of its manufacturer. A HEPA filter is one that captures at least 99.97 percent of airborne particles of at least 0.3 micrometers in diameter.

Housing for the elderly means retirement communities or similar types of housing reserved for households composed of one or more persons 62 years of age or more, or other age if recognized as elderly by a specific Federal housing assistance program.

Housing receiving Federal assistance means housing which is covered by an application for HUD mortgage insurance, receives housing assistance payments under a program administered by HUD, or otherwise receives more than \$5,000 in project-based assistance under a Federal housing program administered by an agency other than HUD.

HUD means the United States Department of Housing and Urban Development.

HUD-owned property means residential property owned or managed by HUD, or for which HUD is a trustee or conservator.

Impact surface means an interior or exterior surface that is subject to damage by repeated sudden force, such as certain parts of door frames.

Indian Housing Block Grant (IHBG) recipient means a tribe or a tribally designated housing entity (TDHE) receiving IHBG funds.

Indian tribe means a tribe as defined in the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.)

Inspection (See Lead-based paint inspection).

Insular areas means Guam, the Northern Mariana Islands, the United States Virgin Islands and American Samoa.

Interim controls means a set of measures designed to reduce temporarily human exposure or likely exposure to lead-based paint hazards. Interim controls include, but are not limited to, repairs, painting, temporary containment, specialized cleaning, clearance, ongoing lead-based paint maintenance activities, and the establishment and operation of management and resident education programs.

Interior window sill means the portion of the horizontal window ledge that protrudes into the interior of the room, adjacent to the window sash when the window is closed. The interior window sill is sometimes referred to as the window stool.

Lead-based paint means paint or other surface coatings that contain lead equal to or exceeding 1.0 milligram per square centimeter or 0.5 percent by weight or 5,000 parts per million (ppm) by weight.

Lead-based paint hazard means any condition that causes exposure to lead from dust-lead hazards, soil-lead hazards, or lead-based paint that is deteriorated or present in chewable surfaces, friction surfaces, or impact surfaces, and that would result in adverse human health effects.

Lead-based paint inspection means a surface-by-surface investigation to determine the presence of lead-based paint and the provision of a report explaining the results of the investigation.

Lead hazard screen means a limited risk assessment activity that involves paint testing and dust sampling and analysis as described in 40 CFR 745.227(c) and soil sampling and analysis as described in 40 CFR 745.227(d).

Mortgagee means a lender of a mortgage loan.

Mortgagor means a borrower of a mortgage loan.

Multifamily property means a residential property containing five or more dwelling units.

Occupant means a person who inhabits a dwelling unit.

Owner means a person, firm, corporation, nonprofit organization, partnership, government, guardian, conservator, receiver, trustee, executor, or other judicial officer, or other entity which, alone or with others, owns, holds, or controls the freehold or leasehold title or part of the title to property, with or without actually possessing it. The definition includes a vendee who possesses the title, but does not include a mortgagee or an owner of a reversionary interest under a ground rent lease.

Paint stabilization means repairing any physical defect in the substrate of a painted surface that is causing paint deterioration, removing loose paint and other material from the surface to be treated, and applying a new protective coating or paint.

Paint testing means the process of determining, by a certified lead-based paint inspector or risk assessor, the presence or the absence of lead-based paint on deteriorated paint surfaces or painted surfaces to be disturbed or replaced.

Paint removal means a method of abatement that permanently eliminates lead-based paint from surfaces.

Painted surface to be disturbed means a paint surface that is to be scraped, sanded, cut, penetrated or otherwise affected by rehabilitation work in a manner that could potentially create a lead-based paint hazard by generating dust, fumes, or paint chips.

Participating jurisdiction means any State or local government that has been designated by HUD to administer a HOME program grant.

Permanent means an expected design life of at least 20 years.

Play area means an area of frequent soil contact by children of less than 6 years of age, as indicated by the presence of play equipment (e.g. sandboxes, swing sets, sliding boards, etc.) or toys or other children's possessions, observations of play patterns, or information provided by parents, residents or property owners.

Project-based rental assistance means Federal rental assistance that is tied to a residential property with a specific location and remains with that particular location throughout the term of the assistance.

Public health department means a State, tribal, county or municipal public health department or the Indian Health Service.

Public housing development means a residential property assisted under the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), but not including housing assisted under section 8 of the 1937 Act.

Reevaluation means a visual assessment of painted surfaces and limited dust and soil sampling conducted periodically following lead-based paint hazard reduction where lead-based paint is still present.

Rehabilitation means the improvement of an existing structure through alterations, incidental additions or enhancements. Rehabilitation includes repairs necessary to correct the results of deferred maintenance, the replacement of principal fixtures and components, improvements to increase the efficient use of energy, and installation of security devices.

Replacement means a strategy of abatement that entails the removal of building components that have surfaces coated with lead-based paint and the installation of new components free of lead-based paint.

Residential property means a dwelling unit, common areas, building exterior surfaces, and any surrounding land, including outbuildings, fences and play equipment affixed to the land, belonging to an owner and available for use by residents, but not including land used for agricultural, commercial, industrial or other non-residential purposes, and not including paint on the pavement of parking lots, garages, or roadways.

Risk assessment means:

- (1) An on-site investigation to determine the existence, nature, severity, and location of lead-based paint hazards; and

(2) The provision of a report by the individual or firm conducting the risk assessment explaining the results of the investigation and options for reducing lead-based paint hazards.

Single family property means a residential property containing one through four dwelling units.

Single room occupancy (SRO) housing means housing consisting of zero-bedroom dwelling units that may contain food preparation or sanitary facilities or both (see Zero-bedroom dwelling).

Soil-lead hazard means bare soil on residential property that contains lead equal to or exceeding levels promulgated by the EPA at 40 CFR 745.65 or, if such levels are not in effect, the standards for soil-lead hazards in §35.1320.

Sponsor means mortgagor (borrower).

Subrecipient means any nonprofit organization selected by the grantee or participating jurisdiction to administer all or a portion of the Federal rehabilitation assistance or other non-rehabilitation assistance, or any such organization selected by a subrecipient of the grantee or participating jurisdiction. An owner or developer receiving Federal rehabilitation assistance or other assistance for a residential property is not considered a subrecipient for the purposes of carrying out that project.

Standard treatments means a series of hazard reduction measures designed to reduce all lead-based paint hazards in a dwelling unit without the benefit of a risk assessment or other evaluation.

Substrate means the material directly beneath the painted surface out of which the components are constructed, including wood, drywall, plaster, concrete, brick or metal.

Target housing means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless a child of less than 6 years of age resides or is expected to reside in such housing for the elderly or persons with disabilities) or any zero-bedroom dwelling. In the case of jurisdictions which banned the sale or use of lead-based paint prior to 1978, HUD may designate an earlier date.

Tenant means the individual named as the lessee in a lease, rental agreement or occupancy agreement for a dwelling unit.

A visual assessment alone is not considered an evaluation for the purposes of this part. Visual assessment means looking for, as applicable:

- (1) Deteriorated paint;
- (2) Visible surface dust, debris, and residue as part of a risk assessment or clearance examination; or
- (3) The completion or failure of a hazard reduction measure.

Wet sanding or wet scraping means a process of removing loose paint in which the painted surface to be sanded or scraped is kept wet to minimize the dispersal of paint chips and airborne dust.

Window trough means the area between the interior window sill (stool) and the storm window frame. If there is no storm window, the window trough is the area that receives both the upper and lower window sashes when they are both lowered.

Worksite means an interior or exterior area where lead-based paint hazard reduction activity takes place. There may be more than one worksite in a dwelling unit or at a residential property.

Zero-bedroom dwelling means any residential dwelling in which the living areas are not separated from the sleeping area. The term includes efficiencies, studio apartments, dormitory or single room occupancy housing, military barracks, and rentals of individual rooms in residential dwellings (see Single room occupancy (SRO)).

Reference §35.115

***EXEMPTIONS.***

(a) Subparts B through R of this part do not apply to the following:

- (1) A residential property for which construction was completed on or after January 1, 1978, or, in the case of jurisdictions which banned the sale or residential use of lead-containing paint prior to 1978, an earlier date as HUD may designate (see §35.160).
- (2) A zero-bedroom dwelling unit, including a single room occupancy (SRO) dwelling unit.
- (3) Housing for the elderly, or a residential property designated exclusively for persons with disabilities; except this exemption shall not apply if a child less than age 6 resides or is expected to reside in the dwelling unit (see definitions of “housing for the elderly” and “expected to reside” in §35.110).
- (4) Residential property found not to have lead-based paint by a lead-based paint inspection conducted in accordance with §35.1320(a) (for more information regarding inspection procedures consult the 1997 edition of Chapter 7 of the HUD Guidelines). Results of additional test(s) by a certified lead-based paint inspector may be used to confirm or refute a prior finding.
- (5) Residential property in which all lead-based paint has been identified, removed, and clearance has been achieved in accordance with 40 CFR 745.227(b)(e) before September 15, 2000, or in accordance with §§35.1320, 35.1325 and 35.1340 on or after September 15, 2000. This exemption does not apply to residential property where enclosure or encapsulation has been used as a method of abatement.
- (6) An unoccupied dwelling unit or residential property that is to be demolished, provided the dwelling unit or property will remain unoccupied until demolition.
- (7) A property or part of a property that is not used and will not be used for human residential habitation, except that spaces such as entryways, hallways, corridors,

passageways or stairways serving both residential and nonresidential uses in a mixed-use property shall not be exempt.

(8) Any rehabilitation that does not disturb a painted surface.

(9) For emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety, or to protect property from further structural damage (such as when a property has been damaged by a natural disaster, fire, or structural collapse), occupants shall be protected from exposure to lead in dust and debris generated by such emergency actions to the extent practicable, and the requirements of subparts B through R of this part shall not apply. This exemption applies only to repairs necessary to respond to the emergency. The requirements of subparts B through R of this part shall apply to any work undertaken subsequent to, or above and beyond, such emergency actions.

(10) If a Federal law enforcement agency has seized a residential property and owns the property for less than 270 days, §§35.210 and 35.215 shall not apply to the property.

(11) The requirements of subpart K of this part do not apply if the assistance being provided is emergency rental assistance or foreclosure prevention assistance, provided that this exemption shall expire for a dwelling unit no later than 100 days after the initial payment or assistance.

(12) Performance of an evaluation or lead-based paint hazard reduction or lead-based paint abatement on an exterior painted surface as required under this part may be delayed for a reasonable time during a period when weather conditions are unsuitable for conventional construction activities.

(13) Where abatement of lead-based paint hazards or lead-based paint is required by this part and the property is listed or has been determined to be eligible for listing in the National Register of Historic Places or contributing to a National Register Historic District, the designated party may, if requested by the State Historic Preservation Office, conduct interim controls in accordance with §35.1330 instead of abatement. If interim controls are conducted, ongoing lead-based paint maintenance and reevaluation shall be conducted as required by the applicable subpart of this part in accordance with §35.1355.

(b) For the purposes of subpart C of this part, each Federal agency other than HUD will determine whether appropriations are sufficient to implement this rule. If appropriations are not sufficient, subpart C of this part shall not apply to that Federal agency. If appropriations are sufficient, subpart C of this part shall apply.

Reference §35.120

***OPTIONS.***

(a) Standard treatments. Where interim controls are required by this part, the designated party has the option to presume that lead-based paint or lead-based paint hazards or both are present throughout the residential property. In such a case, evaluation is not required. Standard treatments shall then be conducted in accordance with §35.1335 on all applicable surfaces, including soil. Standard treatments are completed only when clearance is achieved in accordance with §35.1340.

(b) Abatement. Where abatement is required by this part, the designated party may presume that lead-based paint or lead-based paint hazards or both are present throughout the residential

property. In such a case, evaluation is not required. Abatement shall then be conducted on all applicable surfaces, including soil, in accordance with §35.1325, and completed when clearance is achieved in accordance with §35.1340. This option is not available in public housing, where inspection is required.

(c) Lead hazard screen. Where a risk assessment is required, the designated party may choose first to conduct a lead hazard screen in accordance with §35.1320(b). If the results of the lead hazard screen indicate the need for a full risk assessment (e.g., if the environmental measurements exceed levels established for lead hazard screens in §35.1320(b)(2)), a complete risk assessment shall be conducted. Environmental samples collected for the lead hazard screen may be used in the risk assessment. If the results of the lead hazard screen do not indicate the need for a follow-up risk assessment, a risk assessment is not required.

(d) Paint testing. Where paint stabilization or interim controls of deteriorated paint surfaces are required by this rule, the designated party has the option to conduct paint testing of all surfaces with non-intact paint. If paint testing indicates the absence of lead-based paint on a specific surface, paint stabilization or interim controls are not required on that surface.

Reference §35.125

***NOTICE OF EVALUATION AND HAZARD REDUCTION ACTIVITIES.***

The following activities shall be conducted if notice is required by subparts D and F through M of this part.

(a) Notice of evaluation or presumption. When evaluation is undertaken and lead-based paint or lead-based paint hazards are found to be present, or if a presumption is made that lead-based paint or lead-based paint hazards are present in accordance with the options described in §35.120, the designated party shall provide a notice to occupants within 15 calendar days of the date when the designated party receives the report or makes the presumption. A visual assessment alone is not considered an evaluation for the purposes of this part. If only a visual assessment alone is required by this part, and no evaluation is performed, a notice of evaluation or presumption is not required.

(1) The notice of the evaluation shall include:

- (i) A summary of the nature, dates, scope, and results of the evaluation;
- (ii) A contact name, address and telephone number for more information, and to obtain access to the actual evaluation report; and
- (iii) The date of the notice.

(2) The notice of presumption shall include:

- (i) The nature and scope of the presumption;
- (ii) A contact name, address and telephone number for more information; and
- (iii) The date of the notice.

(b) Notice of hazard reduction activity. When hazard reduction activities are undertaken, each designated party shall:

(1) Provide a notice to occupants not more than 15 calendar days after the hazard reduction activities (including paint stabilization) have been completed. Notice of hazard reduction shall include, but not be limited to:

- (i) A summary of the nature, dates, scope, and results (including clearance) of the hazard reduction activities;
- (ii) A contact name, address, and telephone number for more information;
- (iii) Available information on the location of any remaining lead-based paint in the rooms, spaces, or areas where hazard reduction activities were conducted, on a surface-by-surface basis; and
- (iv) The date of the notice.

(2) Update the notice, based on reevaluation of the residential property and as any additional hazard reduction work is conducted.

(3) Provision of a notice of hazard reduction is not required if a clearance examination is not required.

(c) Availability of notices of evaluation, presumption, and hazard reduction activities.

(1) The notices of evaluation, presumption, and hazard reduction shall be of a size and type that is easily read by occupants.

(2) To the extent practicable, each notice shall be made available, upon request, in a format accessible to persons with disabilities (e.g., Braille, large type, computer disk, audio tape).

(3) Each notice shall be provided in the occupants' primary language or in the language of the occupants' contract or lease.

(4) The designated party shall provide each notice to the occupants by:

- (i) Posting and maintaining it in centrally located common areas and distributing it to any dwelling unit if necessary because the head of household is a person with a known disability; or
- (ii) Distributing it to each occupied dwelling unit affected by the evaluation, presumption, or hazard reduction activity or serviced by common areas in which an evaluation, presumption or hazard reduction has taken place.
- (iii) However, for the protection of the privacy of the child and the child's family or guardians, no notice of environmental investigation shall be posted to any centrally located common area.

[64 FR 50202, Sept. 15, 1999, as amended at 69 FR 34271, June 21, 2004; 82 FR 4167, Jan. 13, 2017]

Reference §35.130

***LEAD HAZARD INFORMATION PAMPHLET.***

If provision of a lead hazard information pamphlet is required in subparts D and F through M of this part, the designated party shall provide to each occupied dwelling unit to which subparts D and F through M of this part apply, the lead hazard information pamphlet developed by EPA, HUD and the Consumer Product Safety Commission pursuant to section 406 of the Toxic Substances Control Act (15 U.S.C. 2686), or an EPA-approved alternative; except that the designated party need not provide a lead hazard information pamphlet if the designated party can demonstrate that the pamphlet has already been provided in accordance with the lead-based paint notification and disclosure requirements at §35.88(a)(1), or 40 CFR 745.107(a)(1) or in accordance with the requirements for hazard education before renovation at 40 CFR part 745, subpart E.

Reference §35.135

***USE OF PAINT CONTAINING LEAD.***

(a) New use prohibition. The use of paint containing more than 0.06 percent dry weight of lead on any interior or exterior surface in federally owned housing or housing receiving Federal assistance is prohibited. As appropriate, each Federal agency shall include the prohibition in contracts, grants, cooperative agreements, insurance agreements, guaranty agreements, trust agreements, or other similar documents.

(b) Pre-1978 prohibition. In the case of a jurisdiction which banned the sale or residential use of lead-containing paint before 1978, HUD may designate an earlier date for certain provisions of subparts D and F through M of this part.

Reference §35.140

***PROHIBITED METHODS OF PAINT REMOVAL.***

The following methods shall not be used to remove paint that is, or may be, lead-based paint:

(a) Open flame burning or torching.

(b) Machine sanding or grinding without a high-efficiency particulate air (HEPA) local exhaust control.

(c) Abrasive blasting or sandblasting without HEPA local exhaust control.

(d) Heat guns operating above 1100 degrees Fahrenheit or charring the paint.

(e) Dry sanding or dry scraping, except dry scraping in conjunction with heat guns or within 1.0 ft. (0.30 m.) of electrical outlets, or when treating defective paint spots totaling no more than 2 sq. ft. (0.2 sq. m.) in any one interior room or space, or totaling no more than 20 sq. ft. (2.0 sq. m.) on exterior surfaces.

(f) Paint stripping in a poorly ventilated space using a volatile stripper that is a hazardous substance in accordance with regulations of the Consumer Product Safety Commission at 16 CFR 1500.3, and/or a hazardous chemical in accordance with the Occupational Safety and Health Administration regulations at 29 CFR 1910.1200 or 1926.59, as applicable to the work.

Reference §35.145

***COMPLIANCE WITH FEDERAL LAWS AND AUTHORITIES.***

All lead-based paint activities, including waste disposal, performed under this part shall be performed in accordance with applicable Federal laws and authorities. For example, such activities are subject to the applicable environmental review requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Toxic Substances Control Act, Title IV (15 U.S.C. 2860 et seq.), and other environmental laws and authorities (see, e.g., laws and authorities listed in §50.4 of this title).

Reference §35.150

***COMPLIANCE WITH OTHER STATE, TRIBAL, AND LOCAL LAWS.***

(a) HUD responsibility. If HUD determines that a State, tribal or local law, ordinance, code or regulation provides for evaluation or hazard reduction in a manner that provides a comparable level of protection from the hazards of lead-based paint poisoning to that provided by the requirements of subparts B, C, D, F through M and R of this part and that adherence to the requirements of subparts B, C, D, F through M, and R of this part, would be duplicative or otherwise cause inefficiencies, HUD may modify or waive some or all of the requirements of the subparts in a manner that will promote efficiency while ensuring a comparable level of protection.

(b) Participant responsibility. Nothing in this part is intended to relieve any participant in a program covered by this subpart of any responsibility for compliance with State, tribal or local laws, ordinances, codes or regulations governing evaluation and hazard reduction. If a State, tribal or local law, ordinance, code or regulation defines lead-based paint differently than the Federal definition, the more protective definition (i.e., the lower level) shall be followed in that State, tribal or local jurisdiction.

Reference §35.155

***MINIMUM REQUIREMENTS.***

(a) Nothing in subparts B, C, D, F through M, and R of this part is intended to preclude a designated party or owner from conducting additional evaluation or hazard reduction measures beyond the minimum requirements established for each program in this regulation. For example, if the applicable subpart requires visual assessment, the designated party may choose to perform a risk assessment in accordance with §35.1320. Similarly, if the applicable subpart requires interim controls, a designated party or owner may choose to implement abatement in accordance with §35.1325.

(b) To the extent that assistance from any of the programs covered by subparts B, C, D, and F through M of this part is used in conjunction with other HUD program assistance, the most protective requirements prevail.

[64 FR 50202, Sept. 15, 1999, as amended at 82 FR 4167, Jan. 13, 2017]

Reference §35.160

**WAIVERS.**

In accordance with §5.110 of this title, on a case-by-case basis and upon determination of good cause, HUD may, subject to statutory limitations, waive any provision of subparts B, C, D, F through M, and R of this part.

Reference §35.165

**PRIOR EVALUATION OR HAZARD REDUCTION.**

If an evaluation or hazard reduction was conducted at a residential property or dwelling unit before the property or dwelling unit became subject to the requirements of subparts B, C, D, F through M, and R of this part, such an evaluation, hazard reduction or abatement meets the requirements of subparts B, C, D, F through M, and R of this part and need not be repeated under the following conditions:

(a) Lead-based paint inspection.

(1) A lead-based paint inspection conducted before March 1, 2000, meets the requirements of this part if:

(i) At the time of the inspection the lead-based paint inspector was approved by a State or Indian tribe to perform lead-based paint inspections. It is not necessary that the State or tribal approval program had EPA authorization at the time of the inspection.

(ii) Notwithstanding paragraph (a)(1)(i) of this section, the inspection was conducted and accepted as valid by a housing agency in fulfillment of the lead-based paint inspection requirement of the public and Indian housing program.

(2) A lead-based paint inspection conducted on or after March 1, 2000, must have been conducted by a certified lead-based paint inspector.

(b) Risk assessment.

(1) A risk assessment must be no more than 12 months old to be considered current.

(2) A risk assessment conducted before March 1, 2000, meets the requirements of this part if, at the time of the risk assessment, the risk assessor was approved by a state or Indian Tribe to perform risk assessments. It is not necessary that the state or tribal approval program had EPA authorization at the time of the risk assessment.

(3) A risk assessment conducted on or after March 1, 2000, must have been conducted by a certified risk assessor.

(4) Paragraph (b) of this section does not apply in a case where a risk assessment is required in response to the identification of a child with an elevated blood lead level. In such a case, the requirements in the applicable subpart for responding to a child with an elevated blood lead level shall apply.

(c) Interim controls. If a residential property is under a program of interim controls and ongoing lead-based paint maintenance and reevaluation activities established pursuant to a risk assessment conducted in accordance with paragraph (b) of this section, the interim controls that have been conducted meet the requirements of this part if clearance was achieved after such controls were implemented. In such a case, the program of interim controls and ongoing activities shall be continued in accordance with the requirements of this part.

(d) Abatement.

(1) An abatement conducted before March 1, 2000, meets the requirements of this part if:

(i) At the time of the abatement the abatement supervisor was approved by a State or Indian tribe to perform lead-based paint abatement. It is not necessary that the State or tribal approval program had EPA authorization at the time of the abatement.

(ii) Notwithstanding paragraph (d)(1)(i) of this section, it was conducted and accepted by a housing agency in fulfillment of the lead-based paint abatement requirement of the public housing program or by an Indian housing authority (as formerly defined under the U.S. Housing Act of 1937) in fulfillment of the lead-based paint requirement of the Indian housing program formerly funded under the U.S. Housing Act of 1937.

(2) An abatement conducted on or after March 1, 2000, must have been conducted under the supervision of a certified lead-based paint abatement supervisor.

[64 FR 50202, Sept. 15, 1999; 65 FR 3387, Jan. 21, 2000, as amended at 69 FR 34272, June 21, 2004; 82 FR 4167, Jan. 13, 2017]

Reference §35.170

***NONCOMPLIANCE WITH THE REQUIREMENTS OF SUBPARTS B THROUGH R OF THIS PART.***

(a) Monitoring and enforcement. A designated party who fails to comply with any requirement of subparts B, C, D, F through M, and R of this part shall be subject to the sanctions available under the relevant Federal housing assistance or ownership program and may be subject to other penalties authorized by law.

(b) A property owner who informs a potential purchaser or occupant of lead-based paint or possible lead-based paint hazards in a residential property or dwelling unit, in accordance with subpart A of this part, is not relieved of the requirements to evaluate and reduce lead-based paint hazards in accordance with subparts B through R of this part as applicable.

Reference §35.175

***RECORDS.***

The designated party, as specified in subparts C, D, and F through M of this part, shall keep a copy of each notice, evaluation, and clearance or abatement report required by subparts C, D, and F through M of this part for at least three years. Those records applicable to a portion of a residential property for which ongoing lead-based paint maintenance and/or reevaluation activities are required shall be kept and made available for the Department's review, until at least three years after such activities are no longer required.

Reference §35.1110

***NOTICES AND PAMPHLET.***

(a) Notice. In cases where evaluation or hazard reduction is undertaken, each public housing agency (PHA) shall provide a notice to residents in accordance with §35.125. A visual assessment alone is not considered an evaluation for purposes of this part.

(b) Lead hazard information pamphlet. The PHA shall provide the lead hazard information pamphlet in accordance with §35.130.

[64 FR 50215, Sept. 15, 1999, as amended at 69 FR 34273, June 21, 2004]

Reference §35.1115

***EVALUATION.***

(a) A lead-based paint inspection shall be conducted in all public housing unless a lead-based paint inspection that meets the conditions of §35.165(a) has already been completed. If a lead-based paint inspection was conducted by a lead-based paint inspector who was not certified, the PHA shall review the quality of the inspection, in accordance with quality control procedures

established by HUD, to determine whether the lead-based paint inspection has been properly performed and the results are reliable. Lead-based paint inspections of all housing to which this subpart applies shall be completed no later than September 15, 2000. Revisions or augmentations of prior inspections found to be of insufficient quality shall be completed no later than September 17, 2001.

(b) If a lead-based paint inspection has found the presence of lead-based paint, or if no lead-based paint inspection has been conducted, the PHA shall conduct a risk assessment according to the following schedule, unless a risk assessment that meets the conditions of §35.165(b) has already been completed:

- (1) Risk assessments shall be completed on or before March 15, 2001, in a multifamily residential property constructed before 1960.
- (2) Risk assessments shall be completed on or before March 15, 2002, in a multifamily residential property constructed after 1959 and before 1978.

(c) A PHA that advertises a construction contract (including architecture/engineering contracts) for bid or award or plans to start force account work shall not execute such contract until a lead-based paint inspection and, if required, a risk assessment, has taken place and any necessary abatement is included in the modernization budget, except for contracts solely for emergency work in accordance with §35.115(a)(9).

(d) The five-year funding request plan for CIAP and CGP shall be amended to include the schedule and funding for lead-based paint activities.

Reference §35.1120

***HAZARD REDUCTION.***

(a) Each PHA shall, in accordance with §35.1325, abate all lead-based paint and lead-based paint hazards identified in the evaluations conducted pursuant to §35.1115. The PHA shall abate lead-based paint and lead-based paint hazards in accordance with §35.1325 during the course of physical improvements conducted under the modernization.

(b) In all housing where abatement of all lead-based paint and lead-based paint hazards required in paragraph (a) of this section has not yet occurred, each PHA shall conduct interim controls, in accordance with §35.1330, of the lead-based paint hazards identified in the most recent risk assessment.

- (1) Interim controls of dwelling units in which any child who is less than 6 years of age resides and common areas servicing those dwelling units shall be completed within 90 days of the evaluation under §35.1330. If a unit becomes newly occupied by a family with a child of less than 6 years of age or such child moves into a unit, interim controls shall be completed within 90 days after the new occupancy or move-in if they have not already been completed.

(2) Interim controls in dwelling units not occupied by families with one or more children of less than 6 years of age, common areas servicing those units, and the remaining portions of the residential property shall be completed no later than 12 months after completion of the evaluation conducted under §35.1115.

(c) The PHA shall incorporate ongoing lead-based paint maintenance and reevaluation activities into regular building operations in accordance with §35.1355. In accordance with §35.115(a) (6) and (7), this requirement does not apply to a development or part thereof if it is to be demolished or disposed of in accordance with disposition requirements in part 970 of this title, provided the dwelling unit will remain unoccupied until demolition, or if it is not used and will not be used for human habitation.

Reference §35.1125

***EVALUATION AND HAZARD REDUCTION BEFORE ACQUISITION AND DEVELOPMENT.***

(a) For each residential property constructed before 1978 and proposed to be acquired for a family project (whether or not it will need rehabilitation) a lead-based paint inspection and risk assessment for lead-based paint hazards shall be conducted in accordance with §35.1320.

(b) If lead-based paint is found in a residential property to be acquired, the cost of evaluation and abatement shall be considered when making the cost comparison to justify new construction, as well as when meeting maximum total development cost limitations.

(c) If lead-based paint is found, compliance with this subpart is required, and abatement of lead-based paint and lead-based paint hazards shall be completed in accordance with §35.1325 before occupancy.

Reference §35.1130

***CHILD WITH AN ELEVATED BLOOD LEAD LEVEL.***

(a) Environmental investigation. Within 15 calendar days after being notified by a public health department or other medical health care provider that a child of less than 6 years of age living in a dwelling unit to which this subpart applies has been identified as having an elevated blood lead level, the PHA shall complete an environmental investigation of the dwelling unit in which the child lived at the time the blood was last sampled and of common areas servicing the dwelling unit. The environmental investigation is considered complete when the PHA receives the environmental investigation report. The requirements of this paragraph apply regardless of whether the child is or is not still living in the unit when the PHA receives the notification of the elevated blood lead level. The requirements of this paragraph shall not apply if the PHA conducted an environmental investigation of the unit and common areas servicing the unit between the date the child's blood was last sampled and the date when the PHA received the notification of the elevated blood lead level. If the PHA conducted a risk assessment of the unit

and common areas servicing the unit during that period, the PHA need not conduct another risk assessment there but shall conduct the elements of an environmental investigation not already conducted during the risk assessment. If a public health department has already conducted an evaluation of the dwelling unit in regard to the child's elevated blood lead level case, the requirements of this paragraph shall not apply.

(b) Verification. After receiving information from a person who is not a medical health care provider that a child of less than 6 years of age living in a dwelling unit covered by this subpart may have an elevated blood lead level, the PHA shall immediately verify the information with the public health department or other medical health care provider. If that department or provider denies the request, such as because it does not have the capacity to verify that information, the PHA shall send documentation of the denial to its HUD field office, who shall make an effort to verify the information. If that department or provider verifies that the child has an elevated blood lead level, such verification shall constitute notification, and the housing agency shall take the action required in paragraphs (a) and (c) of this section.

(c) Lead-based paint hazard reduction. Within 30 calendar days after receiving the report of the environmental investigation conducted pursuant to paragraph (a) of this section or the evaluation from the public health department, the PHA shall complete the reduction of identified lead-based paint hazards in accordance with §35.1325 or §35.1330. Lead-based paint hazard reduction is considered complete when clearance is achieved in accordance with §35.1340 and the clearance report states that all lead-based paint hazards identified in the environmental investigation have been treated with interim controls or abatement or the local or State health department certifies that the lead-based paint hazard reduction is complete. The requirements of this paragraph do not apply if the PHA, between the date the child's blood was last sampled and the date the PHA received the notification of the elevated blood lead level, already conducted an environmental investigation of the unit and common areas servicing the unit and completed reduction of identified lead-based paint hazards. If the PHA conducted a risk assessment of the unit and common areas servicing the unit during that period, it is not required to conduct another risk assessment there but it shall conduct the elements of an environmental investigation not already conducted during the risk assessment. If the PHA does not complete the lead-based paint hazard reduction required by this section, the dwelling unit is in violation of the standards of 24 CFR 965.601, which incorporates the uniform physical condition standards of §5.703(f), including that it be free of lead-based paint hazards.

(d) Notice of lead-based paint hazard evaluation and reduction. The PHA shall notify building residents of any lead-based paint hazard evaluation or reduction activities in accordance with §35.125.

(e) Reporting requirement.

(1) The PHA shall report the name and address of a child identified as having an elevated blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional.

(2) The PHA shall report each confirmed case of a child with an elevated blood lead level to the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes within 5 business days of being so notified.

(3) The PHA shall provide to the HUD field office documentation that it has conducted the activities of paragraphs (a) through (d) of this section, within 10 business days of the deadline for each activity.

(f) Other units in the property.

(1) If the environmental investigation conducted pursuant to paragraph (a) of this section identifies lead-based paint hazards, the PHA shall conduct a risk assessment of other units of the building in which a child under age 6 resides or is expected to reside on the date lead-based paint hazard reduction under paragraph (c) of this section is complete, and the common areas servicing those units within 30 calendar days after receipt of the environmental investigation report if there are 20 or fewer such other units, or 60 calendar days if there are more such units.

(2) If the risk assessment conducted under paragraph (f)(1) of this section identifies lead-based paint hazards, the PHA shall control the hazards, in accordance with Sec. 35.1325 or §35.1330, in those units and common areas within 30 calendar days, or within 90 calendar days if more than 20 units have lead-based paint hazards such that the control work would disturb painted surfaces that total more than the de minimis threshold of §35.1350(d). Lead-based paint hazard reduction is considered complete when clearance is achieved in accordance with §35.1340 and the clearance report states that all lead-based paint hazards identified in the risk assessment have been treated with interim controls or abatement.

(3) The PHA shall provide to the HUD field office documentation that it has conducted the activities of paragraphs (f)(1) and (2) of this section, within 10 business days of the deadline for each activity.

(4) The requirements of this paragraph (f) of this section do not apply if:

(i) The PHA, between the date the child's blood was last sampled and the date the PHA received the notification of the elevated blood lead level, both conducted a risk assessment of the other assisted dwelling units covered by paragraph (f)(1) of this section and the common areas servicing those units, and conducted interim controls of identified hazards in accordance with §35.1120(b); or

(ii) If the PHA has documentation of compliance with evaluation, notification, lead disclosure, ongoing lead-based paint maintenance, and lead-based paint management requirements under this part throughout the 12 months preceding the date the PHA received the environmental investigation report pursuant to paragraph (a) of this section; and,

(iii) In either case, the PHA provided the HUD field office, within 10 business days after receiving the notification of the elevated blood lead level,

documentation that it has conducted the activities described in this paragraph (f)(4) of this section.

[82 FR 4169, Jan. 13, 2017]

## Chapter 19

### SMOKE-FREE HOUSING POLICY

Sandusky Metropolitan Housing Authority's Board approved the smoke free housing policy as of March 8, 2017, following the public meeting regarding the agency's annual plan. Sandusky MHA (Property Manager / Owner) incorporates the following addendum into its lease to maintain compliance with the Final Rule published by the United States Department of Housing and Urban Development in the Federal Register on December 5, 2016, and bars the use of prohibited tobacco products (items that involve the ignition and burning of tobacco leaves such as cigarettes, cigars, pipes and water pipes aka hookahs) in all public housing living units, interior common areas and outdoor areas of public housing and administrative office buildings aka restricted areas. [Reference: §965.653 Smoke-free public housing.]

#### A. *LEASE ADDENDUM*

This lease amendment must be completed by all residents housed as a condition of their continuing occupancy. This lease shall incorporate the requirement that residents in public housing, members of a resident's household, resident's guest, or other person under the resident's control must not engage in any smoking of specified prohibited tobacco products in restricted areas.

This lease amendment is issued at least 60 days before the lease revision is to take place which shall be June 1, 2018, after which time enforcement of this addendum shall take place.

The Housing Authority is obligated to enforce smoke-free policies when a resident is violating the policy, but the agency will not evict for a single incident of smoking in violation of the policy. Sandusky MHA has adopted a graduated enforcement framework that includes escalating warnings and fines with documentation to the tenant file. The first incident shall result in a warning and \$25 fine. The second incident shall result in increased inspection of the unit and a \$50 fine. The third incident shall result in further increased inspection of the unit and a \$75 fine. The fourth incident shall result in a \$100 fine. Any additional incidents of violation of the policy will result in the termination of tenancy and then pursuit of eviction action against the tenant for repeated violation of the lease.

Property Manager/Owner Not a Guarantor of Smoke Free Environment: Resident acknowledges that Property Manager/Owner's adoption of a smoke-free living environment, and the efforts to designate the rental complex as smoke free, do not make the Property Manager/Owner or any of its managing agents the guarantor of Resident's health or of the smoke-free condition of the Resident's unit and the common areas. However, Property Manager/Owner shall take reasonable steps to enforce the smoke-free terms of its Leases/House Rules and to make the (designated areas of the) complex smoke-free. Property Manager/Owner is not required to take steps in response to smoking unless Property Manager/Owner knows of said smoking or has been given a report of said smoking.

Resident acknowledges that Property Manager/Owner's adoption of a smoke-free living environment, and the efforts to designate the rental complex as smoke-free, does not in any way change the standard of care that the Property Manager/Owner would have to a Resident household to render buildings and premises designated as smoke-free any safer, more habitable, or improved in terms of air quality standards than any other rental premises. Property Manager/Owner specifically disclaims any implied or express warranties that the building, common areas, or Resident's premises will have any higher or improved air quality standards than any other rental property. Property Manager/Owner cannot and does not warranty or promise that the rental premises or common areas will be free from secondhand smoke. Resident acknowledges that Property Manager/Owner's ability to police, monitor, or enforce the agreements of the Addendum is dependent in significant part on voluntary compliance by Resident and Resident's guests. Residents with respiratory ailments, allergies, or any other physical or mental condition relating to smoke are put on notice that Property Manager/Owner does not assume any higher duty of care to enforce this Lease Addendum/House Rules than any other Property Manager/Owner obligation under the Lease.

[**Reference: § 966.4 Lease Requirements.** \* \* \* \* \* (f) \* \* \* (12) \* \* \* (i) To assure that no tenant, member of the tenant's household, or guest engages in: (A) Criminal activity. (1) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents; (2) Any drug-related criminal activity on or off the premises; or (B) Civil activity. For any units covered by 24 CFR part 965, subpart G, any smoking of prohibited tobacco products in restricted areas, as defined by 24 CFR 965.653(a), or in other outdoor areas that the PHA has designated as smoke-free. (ii) To assure that no other person under the tenant's control engages in: (A) Criminal activity. (1) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents; (2) Any drug-related criminal activity on the premises; or 55 (B) Civil activity. For any units covered by 24 CFR part 965, subpart G, any smoking of prohibited tobacco products in restricted areas, as defined by 24 CFR 965.653(a), or in other outdoor areas that the PHA has designated as smoke-free.]

**B. SMOKING CESSATION RESOURCES**

The Sandusky County Health Department may have resources available or referrals to assist tenants with smoking cessation.

HUD acknowledges the importance of connecting residents interested in quitting smoking to cessation resources, preferably at no cost. Although HUD does not directly provide cessation assistance, HUD has resources available on Healthy Homes Web site ([http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/healthy\\_homes/hhi](http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/hhi)) for residents interested in cessation. Medicaid covers the cost of tobacco cessation services and prescription smoking cessation medications for recipients, and although Medicaid coverage varies by state, all 50 states offer at least some smoking cessation coverage. Residents of all states also have access to "quitlines," which are free evidence-based cessation services that residents can access by calling 1-800—QUIT—NOW.

## Chapter 20

### 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:

The full amount before any payroll deductions, of wages and salaries, overtime pay, commissions fees, tips and bonuses, and other compensation for personal services.

The net income from operation of a business or profession, including any withdrawal of cash or assets from the operation of the business. Expenditures for business expansion or amortization of capital indebtedness 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.

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.

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. 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.*

Payments in lieu of earnings, such as unemployment and disability compensation, workers' compensation, and severance pay.

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).

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.

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:

Income from the employment of children (including foster children) under the age of 18 years;

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);

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;

Amounts received by the family that are specifically for, or in reimbursement of the cost of medical expenses for any family member.

Income of a live-in aide, provided the person meets the definition of a live-in aide.

The full amount of student financial assistance paid directly to the student or the educational institution.

Financial Assistance received for mandatory education fees and charges (in addition to tuition, such as student service fees, student association fees, student activities fees, and laboratory fees)(PIH Notice 2016-05; 24 CFR 5.609(b)(9); PIH Notice 2015-21);

The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

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.

Amounts received by a person with disabilities that are disregarded for a limited time for purposes of Supplemental Security Income and benefits that are set aside for use under a Plan to Attain Self Sufficiency (PASS).

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 childcare, to allow participation in a specific program.

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, and resident initiatives coordination. No resident may receive more than one such stipend during the same period of time.

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. Amounts 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.

Temporary, non-recurring, or sporadic income (including gifts).

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.)

Earnings in excess of \$480 for each full-time student 18 years old or older, (excluding the head of household and spouse).

Adoption assistance payments in excess of \$480 per adopted child.

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: (1) is authorized by a Federal, State or local law; (2) is funded by the Federal, State or local government; (3) is operated or administered by a public agency; and (4) has as its objective to assist participants in acquiring job skills.

Exclusion period means the period during which the 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 means the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.

Deferred periodic payments from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.

Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.

Amounts paid by a State agency to a family with a 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.

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:

The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977;

Payments to volunteers under the Domestic Volunteer Service Act of 1973; examples of programs under this Act include but are not limited to:

The Retired Senior Volunteer Program (RSVP)

Foster Grandparent Program (FGP)

Senior Companion Program (SCP)

Older American Committee Service Program

National Volunteer Antipoverty Programs such as:

VISTA

Peace Corps

Service Learning Program

Special Volunteer Programs

Small Business Administration Programs such as:

National Volunteer Program to Assist Small Businesses

Service Corps of Retired Executives

Payments received under the Alaska Native Claims Settlement Act. [43 USC 1626 (a)]

Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes. [25 USC 459e]

Payments or allowances made under the Department of HHS' Low Income Home Energy Assistance Program. [42 USC 8624 (f)]

Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 USC 1552 (b))

Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540).

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.

Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs. [20 USC 1087 uu]  
Examples: Basic Educational Opportunity Grants (Pell Grants), Supplemental Opportunity Grants, State Student Incentive Grants, College-Work Study, and Byrd Scholarships.

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.

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.

The value of any child care 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)

Earned income tax credit refund payments received on or after January 1, 1991. (26 USC 32 )(j).

Living allowances under Americorps Program (Nelson Diaz Memo to George Latimer 11/15/94)

## **ADJUSTED INCOME**

Annual income, less allowable HUD deductions.

*Note: Under the Continuing Resolution, PHAs are permitted to adopt other adjustments to earned income for residents of Public Housing, but must absorb any resulting loss in rental income.*

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. Child care 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 residing 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.

Handicapped Expenses. A deduction of unreimbursed amounts paid for attendant care or auxiliary apparatus expenses for handicapped family members where such expenses are necessary to permit a family member(s), including the handicapped/disabled member 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 handicapped, and equipment added to cars and vans to permit use by the handicapped or disabled family member.

For non-elderly families and elderly families without medical expense: The amount of the deduction equals the cost of all unreimbursed expenses for handicapped care and equipment less three percent 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 handicapped care and equipment 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 of 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 handicapped expenses: The amount of the deduction shall equal total medical expenses less 3% of annual income.

For elderly families with both handicapped and medical expenses: The amount of handicapped assistance is calculated first, then medical expenses are added.

Elderly/Disabled Household Exemption: An exemption of \$400 per household.

## **B. GLOSSARY OF 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 handicaps. 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 handicaps.

**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 handicapped and non-handicapped persons; or ability to meet the needs of persons with

**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 monthly 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.

**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 Disabled Person or Handicapped Person, 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 PERSON.** A person who is any of the following:

A person who has a disability as defined in section 223 of the Social Security Act. (42 USC 423).

A person who has a physical, mental, or emotional impairment that:

Is expected to be of long-continued and indefinite duration;

Substantially impedes his or her ability to live independently; and

Is of such a nature that ability to live independently could be improved by more suitable housing conditions.

A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).

**DISABLED FAMILY.** A family whose head, spouse, or sole member is a person with disabilities; or 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.** 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 U.S.C. 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 U.S.C. 802)).

**ELDERLY FAMILY.** A family whose head or spouse or whose sole member is at least 62 years, or two or more persons who are at least 62 years of age or a disabled person. It may include two or more elderly, disabled persons living together or one or more such persons living with another person who is determined to be essential to his/her care and well-being.

**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 which 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 3% of Annual Income which are not reimbursable from any other source.

**EXTREMELY LOW-INCOME FAMILY.** Very low-income families whose income does not exceed the higher of 30 percent of the area median income or the federal poverty level. (PIH Notice 2016-05 - 24 CFR 5.603, 903.7, and 960.102)

**FAMILY.** The applicant must qualify as a family as defined by the PHA.

**FAMILY OF VETERAN OR SERVICEPERSON.** A family is a "family of veteran or serviceperson" when:

The veteran or serviceperson (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 serviceperson, 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.

**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.

**HANDICAPPED ASSISTANCE EXPENSES.** Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members which enable a family member (including the handicapped family member) to work.

**HANDICAPPED PERSON.** [Referred to as a Person with a Disability]. A person having a physical or mental impairment which 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). ("PHA" 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 recodified, and which added the Section 8 Programs.

**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 (HQS).** 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 Section 8 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.

**INCOME.** Income from all sources of each member of the household as determined in accordance with criteria established by HUD.

**INCOME FOR ELIGIBILITY.** Annual Income.

**INCOME TARGETING.** The HUD admissions requirement that HAs not admit less than the number required by law of families whose income does not exceed 30% of the area median income in a fiscal year.

**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:

By exercise of the power of self-government of an Indian Tribe, independent of State law, or

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:

Is determined to be essential to the care and well-being of the person.

Is not obligated for the support of the person.

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.** A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

**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 at 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, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

**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.

**PARTICIPANT.** A family that has been admitted to the PHA program, and is currently assisted in the program.

**PREMISES.** The building or complex in which the dwelling unit is located including common areas and grounds.

**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). ("PHA" and "IHA" mean the same thing.)

**QUALITY HOUSING AND WORK RESPONSIBILITY ACT OF 1998.** The Act which 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.

**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.

**SERVICEPERSON.** 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.

**SPOUSE.** The marriage partner of the head of the household.

**SUBSIDIZED PROJECT.** A multi-family housing project (with the exception of a project owned by a cooperative housing mortgage corporation or association) which receives the benefit of subsidy in the form of:

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

Rent supplement payments under Section 101 of the Housing and Urban Development Act of 1965; or

Direct loans pursuant to Section 202 of the Housing Act of 1959; or

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;

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;

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 which 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 who 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 governments.

## C. GLOSSARY OF TERMS USED IN THE NONCITIZENS RULE

**CHILD.** A member of the family other than the family head or spouse who is under 18 years of age.

**CITIZEN.** A citizen or national of the United States.

**EVIDENCE.** Evidence of citizenship or eligible immigration status means the documents which must be submitted to evidence citizenship or eligible immigration status.

**PHA.** A housing authority- either a public housing agency or an Indian housing authority or both.

**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 nation 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 noncitizens with ineligible immigration status (the PHA).

**SECTION 214.** Section 214 restricts HUD from making financial assistance available for noncitizens unless they meet one of the categories of eligible immigration status specified in Section 214.

**SPOUSE.** Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-heads." "Co-head" is a term recognized by some HUD programs, but not by public and Indian housing programs.

## CHAPTER 21

### PROGRAM INTEGRITY ADDENDUM

#### **INTRODUCTION**

The US 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.

***INSTRUCTION:** PHAs vary widely in the resources they commit to the prevention, detection and disposition of tenant fraud and other types of program abuse. Because of this, you should view this Chapter as a menu from which to select and build the policies which best match your resources. You are encouraged to obtain a copy of the "Tenant Integrity Program" Training Manual, as well as the videotape, from HUD's Inspector General.*

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

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 the 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 are received by mail, by telephone or in person, 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 [re]certification, an interim redetermination, 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).

## **B. STEPS THE PHA WILL TAKE TO PREVENT PROGRAM ABUSE AND FRAUD**

The management and occupancy staff 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.

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

Program Orientation Session. Mandatory orientation sessions will be conducted by the Site Manager for all prospective tenants either 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.

Resident Counseling. The PHA will routinely provide tenant counseling as a part of every recertification interview in order to clarify any confusion pertaining to program rules and requirements.

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

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

Tenant Certification. All family representatives will be required to sign a "Tenant Certification" form, 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 by assisted families.

Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent recertifications, each tenant file will be reviewed. Such reviews shall include, but are not limited to:

Changes in reported Social Security Numbers or dates of birth.

Authenticity of file Documents.

Ratio between reported income and expenditures.

Review of signatures for consistency with previously signed file documents.

Observation. The PHA Management and Occupancy Staff (to include maintenance personnel) will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

Public Record Bulletins may be reviewed by Management and Staff.

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

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

**\* At the time of final eligibility determination**

**\* When an allegation is received by the PHA wherein unreported income sources are disclosed.**

**\* 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 authority. 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 **manager/PHA** will not follow up on allegations which are vague or otherwise nonspecific. The will only review allegations which 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 **staff/case manager** will initiate an investigation to determine if the allegation is true or false.

## **E. HOW THE PHA WILL INVESTIGATE ALLEGATIONS OF 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 Executive Director to monitor the program compliance will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the 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 which conflicts with the reported income of the family.

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

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

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

Other Agencies. Investigators, case workers 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 statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

Interviews with Head of Household or Family Members. The 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 additional staff person will attend such interviews.

## **F. 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 which 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 Executive Director or designee. It will then be determined whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

## **H. EVALUATION OF THE FINDINGS**

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

The type of violation. (Procedural, non-compliance, fraud.)

Whether the violation was intentional or unintentional.

What amount of money (if any) is owed by the tenant.

Is the family 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 of non-compliance violations are:

Failure to appear at a pre-scheduled appointment.

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 which contains the following:

**\* A description of the non-compliance and the procedure, policy or obligation which was violated.**

**\* The date by which the violation must be corrected, or the procedure complied with.**

**\* The action which will be taken by the PHA if the procedure or obligation is not complied with by the date specified by the PHA.**

**\* 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:

A description of the violation and the date(s).

Any amounts owed to the PHA.

The **number of** days response period.

The right to disagree and to request an informal hearing with instructions for the request of such hearing.

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 which 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 which results (or would have resulted) in an underpayment of rent by the tenant, the PHA will evaluate whether or not:

the tenant had knowledge that his/her actions were wrong, and

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 certifications, briefing certificate, Personal Declaration and *Things You Should Know* are adequate to establish knowledge of wrong-doing.

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

An admission by the tenant of the misrepresentation.

That the act was done repeatedly.

If a false name or Social Security Number was used.

If there were admissions to others of the illegal action or omission.

That the tenant omitted material facts which were known to them (e.g., employment of self or other household member).

That the tenant falsified, forged or altered documents.

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 material misrepresentation(s) have 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 **[number]** 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:

The duration of the violation and number of false statements.

The tenant's ability to understand the rules.

The tenant's willingness to cooperate, and to accept responsibility for his/her actions

The amount of money involved.

The tenant's past history

Whether or not criminal intent has been established.

The number of false statements.

### **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:

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 RIGI, and terminate rental assistance.**

**\* Refer the case to HUD's RIGI, and terminate rental assistance.**

Administrative Remedies: The PHA may:

**\* Terminate tenancy and demand payment of restitution in full.**

**\* Terminate tenancy and execute an administrative repayment agreement in accordance with the PHA's Repayment Policy.**

**\* Terminate tenancy and pursue restitution through civil litigation.**

**\* Continue assistance at the correct rent upon repayment of restitution in full.**

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 the appropriate days after the tenant conference by certified mail.