

HHHA's Section 8 Administrative Plan

POLICIES AND PROCEDURES FOR ADMISSION TO, AND ADMINISTRATION
OF, HHA'S SECTION 8 HOUSING CHOICE VOUCHERS (HCV) AND PROJECT
BASED VOUCHERS (PBV)

CATHERINE WYATT

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HARRISBURG HOUSING AUTHORITY
SECTION 8 PROGRAM ADMINISTRATIVE PLAN

I. Introduction and Statement of Approach and Objectives to Administer the Section 8 Programs

A. Background

The Harrisburg Housing Authority was established in 1938, and empowered with the responsibility and authority to maintain the Public Housing Program for the City of Harrisburg, Pennsylvania. The Section 8 Program was created by the Housing and Community Development Act of 1974 and amended by the Housing and Community Development Act of 1981 and the Quality Housing and Work Responsibility Act of 1998. The Section 8 Program was established by Harrisburg Housing Authority (hereinafter referred to as PHA or Housing Authority), when it received the first Annual Contributions Contract (ACC) under the Section 8 Existing Housing Assistance Payments Program.

Administration of the Section 8 Housing Programs and the function and the responsibilities of the Harrisburg Housing Authority (herein referred to as HHA) staff shall be in compliance with the Personnel Policy of the HHA, the Fair Housing regulations, the Section 8 Administrative Plan, and applicable Standard Operating Procedures. All Federal, State and local housing laws will be followed and HHA will comply with the City of Harrisburg's Consolidated Plan and their own Agency Plan.

B. Housing Authority Mission Statement And Section 8 Program Objectives

1. The mission statement of HHA is:

The Harrisburg Housing Authority's mission is to serve the needs of low-income, very low-income and extremely low-income families in the City of Harrisburg. Additionally, HHA will 1) maintain the availability of decent, safe and affordable housing in its communities; (2) ensure equal opportunity in housing; (3) promote self-sufficiency and asset development of families and individuals; and (4) improve community quality of life and economic viability.

2. The following objectives of the Section 8 Programs support the above mission statement:
- a. To provide decent, safe and sanitary living conditions;
 - b. To provide improved living conditions for very low-income families while maintaining their rent payments at an affordable level;
 - c. To promote personal, economic and social upward mobility to assist residents to make the transition from subsidized to non-subsidized housing; and

- d. To provide an incentive to private property owners/landlords to rent to low-income families by offering timely assistance payments and excellent service.

C. Legal Jurisdiction

The area of operation of HHA is geographically defined as the City of Harrisburg/County of Dauphin/State of Pennsylvania.

D. Purpose of the Administrative Plan

The purpose of the Administrative Plan is to establish local policies for administering the program in a manner that is consistent with HUD requirements and the local goals and objectives as set forth in HHA’s Agency Plan.

The Administrative Plan, hereinafter referred to as the Plan, covers both the admission and continued participation in the above mentioned program. HHA is responsible for complying with all changes in HUD regulations pertaining to these programs. Revisions to the Plan will be made as needed to comply with the new HUD requirements or changes. If such changes conflict with the Plan, HUD regulations will have precedence.

The Plan is a supporting document to the HHA’s Agency Plan and shall be available for review as required by 24 CFR 903. Pursuant to 24 CFR Part 982.54, the Plan and any revisions shall be presented to the HHA Board of Commissioners for formal adoption and a copy provided to HUD.

E. Nondiscrimination

HHA shall not discriminate because of race, color, gender, religion, creed, national or origin, age, familial status, disability/handicap in the performance of its obligations in any program under its jurisdiction covered by a contract for annual contributions under the United States Housing Act of 1937, as amended.

HHA shall not deny admission to an applicant or participant who is or has been a victim of domestic violence or stalking, if the applicant otherwise qualifies for admission or assistance.

To further the commitment to full compliance with applicable Civil Rights Laws, HHA will provide information to Section 8 applicants and participants with regard to housing discrimination. Information and Discrimination Complaint Forms will be made part of the briefing packet.

Posters and housing information with the Equal Opportunity Housing logo may be displayed in locations through HHA’s office in such a manner as to be easily readable from a wheelchair.

HHA’s Section 8 Office space is accessible to persons with disabilities. The TDD/TDY telephone number may provide accessibility for the hearing impaired.

F. Service Policy/Accommodations

It is the policy of HHA to be service-directed in the administration of its housing programs and to exercise and demonstrate a high level of professionalism while providing housing services.

Policies and practices are designed to provide assurances that all persons with disabilities are provided reasonable accommodation so that they may fully access and utilize the housing program and related services. The availability of specific accommodations may be made known by including notices on forms and letters to all families and all requests may be verified so needs can be properly accommodated. All mailings may be made available in an accessible format upon request, as a reasonable accommodation. Organizations that provide assistance for hearing-impaired and sight-impaired persons may be utilized.

G. Translation of Documents

In determining whether it is feasible to translate documents into other languages or Braille for the blind, HHA will consider the following factors:

1. The number of applicants and residents who do not speak English and speak another language or need Braille for adequate understanding.
2. The cost per client of translating the documents into another language or into Braille
3. The availability of translation and/or interpreter services in HHA's jurisdiction.
4. At a minimum, HHA will prepare the following information in a clearly written and accessible format:
 - Marketing and informational material;
 - Application process information;
 - The application;
 - All form letters and notices to the applicant/participant;
 - HHA's general policy regarding reasonable accommodation;
 - New participant orientation materials;
 - The voucher and any applicable program rules;
 - Information on opening, closing and up-dating the waiting list; and
 - All information related to applicant/participant rights (informal/formal hearings, grievance procedures, etc.).

Documents intended for use by applicants and participants will be simply and clearly written to enable applicants with learning or cognitive disabilities to understand as much as possible. Sign language interpreters may be provided for hearing-impaired applicants/participants if requested as a reasonable accommodation. For applicants/participants unable to read, intake/occupancy staff will read and explain orally anything they would normally hand to an applicant/resident to be read or filled out. Staff will assist in completing forms and other required documents for persons unable to write.

H. Privacy Rights

Applicants and participants at time of application, admission, annual or interim reexamination will be required to sign the form HUD-9886, Authorization for Release of Information /Privacy Act Notice, which is valid for fifteen (15) months from the date of signature.

HHA shall notify applicants and participants assisted under Section 8 of the U.S Housing Act of 1937 of their rights under the Violence Against Women Act (VAWA), including their right to confidentiality and the limits thereof, and to owners and managers of their rights and obligations under the VAWA.

HHA's policy regarding release of information is:

1. HHA will not release information to other persons or entities unless the applicant/participant has signed a release of information authorizing HHA to release specific information to the person(s) or entity.
6. However, HHA may release information on amounts owed for claims paid and not reimbursed by the client.
7. Upon receiving a written request from a prospective owner/landlord, HHA must release the Vouchers holder's current and prior address, if known. HHA must also release the names and addresses of the current and prior owner/landlord, if known.
8. HHA may release information as required by law to a federal or state agency, law enforcement personnel or if HHA has received a court subpoena.
9. HHA must limit use and disclosure of family information obtained through release and consent to purposes directly connected with the program administration (i.e. an adult's EIV data will be released only to that adult. A minor's EIV data may be released to his/her parent).
10. HHA shall retain in confidence all information pursuant to Violence Against Women Act including the fact that an individual is a victim of domestic violence, dating violence or stalking.

The information shall neither be entered into any shared database nor be provided to any related entity, except:

- To the extent that disclosure is requested or consented to in writing by the individual; or
- Required for use in an eviction proceeding of an abuser, stalker or perpetrator of domestic violence; or
- Is otherwise required by applicable law

I. Rules and Regulations

All issues not addressed in this document related to tenants, participants and owners/landlords are governed by the Code of Federal Regulations (24 CFR) HUD Guidebook 7420.10G, HUD Memos, Notices and Guidelines or other applicable law and the Section 8 Program Standard Operations Procedures.

J. List of Section 8 Programs

The following is a list of Section 8 Programs offered by the PHA:

- (1) Tenant Based Vouchers
- (2) Single Resident Occupancy / Modern Rehabilitation
- (3) Family Self Sufficiency
- (4) Project Based Vouchers
- (5) Veterans Affairs Supportive Housing (VASH) Vouchers
 - 1. The local Veteran Affairs medical Centers (VAMC) are responsible for referring eligible homeless veterans to HHA.
 - 2. The HHA must determine whether a family is income eligible, and passes all other Voucher holder eligibility standards prior to the provision of HUD-VASH assistance.
- (6) Foster Youth to Independence Tenant Protection Vouchers (FYI TPV)

To qualify for this type of voucher ALL the following requirements must be met and the individual must be recommended by The Dauphin County Department of Social Services for Children and Youth (CYS)

 - 1. Individual has attained at least 18 years and not more than 24 years of age;
 - 2. individual left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age 16 or older; and
 - 3. Individual is homeless or is at risk of becoming homeless.
 - 4. Meets HHA's Eligibility requirements listed in this Plan.

A young person who meets the above requirements and is pregnant and parenting is also eligible as long as the children they are parenting do not have an open child welfare case.

*FYI-TPVs are time-limited to 36 months and sunset when a youth transitions off the voucher. This means the HHA cannot reissue the FYI-TPV assistance. HHA may request a maximum of 25 FYI-TPVs in a fiscal year.

K. Staffing Positions

- President
- Management Aide
- Clerk I
- Housing Choice Voucher Program Coordinator
- Clerk III
- FSS Coordinator
- Housing Inspector

L. Customer Relations

HHA considers all families and owners as its customers. The goal of the HHA is to respond promptly to the needs of its customers. All contact with the customer and the general public will be handled in a professional and courteous manner. HHA may require complaints to be submitted in writing, except for emergency HQS deficiencies.

M. Code of Conduct

In accordance with the Annual Contributions Contract, Section 19, Conflict of Interest and 24 CFR 982.161 HHA has established a written code of conduct for conducting business in accordance with core values and ethical standards. (See also HHA's Conduct Standards Policy).

HHA shall adhere to its code of Conduct and shall sanction and/or terminate any officer, employee or agent for violations consistent with applicable state or local law.

The conflict of interest prohibition under this section may be waived by the HUD field office for good cause.

II. Outreach to Families and Owners/Landlords

A. Family Outreach

The Section 8 Office publicizes and disseminates information, as needed, concerning the availability and nature of housing assistance. Upon execution of an Annual Contributions Contracts (ACC) for additional units, the Section 8 Office will publish on its website, via social media, in a newspaper of general circulation, minority media, and other suitable means the availability and nature of housing assistance for very low-income families, unless application-taking has been suspended according to HUD regulation. A waiting list hotline with a recorded message may be utilized.

The Section 8 Office may distribute fact sheets to the broadcast media. Personal contacts with the news media, community service personnel and public service announcements will be handled by the President's Office.

Upon receipt of new funding, the Section 8 Office will review its current waiting list and determine whether outreach is needed and what types of outreach will be implemented.

Applicants and participants will be provided with:

- Information about general locations and characteristics of neighborhoods.
- A listing of available rental property. These listings show addresses, shopping centers, bus lines, amenities, deposit information, etc., as provided by owners/landlords.
- Information that they may choose any unit within HHA's jurisdiction as long as the program requirements are met regarding the unit.
- Information on portability provisions that may be available in the Section 8 Housing Choice Voucher Program.
- A map which identifies areas of low-poverty and minority concentrations.

B. Owner/Landlord Outreach

The Section 8 office will strive to maintain good relations with existing owners/landlords and will encourage new owners/landlords to participate and to make dwelling units available for leasing by eligible families in accordance with the Administrative Plan.

HHA will use a comprehensive marketing effort described in the next section to recruit owners/landlords in areas that offer expanded opportunities to our participants.

In order to assure that owner/landlord outreach efforts are reaching owners/landlords with units outside areas of low-income and minority concentration, HHA will evaluate new Request for Tenancy Approvals by determining if the address is in an area outside poverty/minority concentration.

HHA may participate in community-based organizations comprised of private property and apartments/landlords and managers.

HHA may conduct periodic meetings with participating owners/landlords to improve owner/landlord relations and to recruit new owners/landlords.

In 2022, HHA was selected to be part of HUD's Landlord Incentives Cohort of the Move To Work (MTW) Program. With this designation HHA is putting in place specific waivers to promote Landlord Participation in HHA's Housing Choice Voucher program. These waivers include changing the Standard Fair Market Rents and Rent Reasonableness Process, putting in place an ability to request Damage Claims, along with adding Leasing Incentive Payments and Vacancy Loss Payments.

C. Promoting Greater Housing Opportunities For Families Outside Areas Of Low-Income And Minority Concentration

1. A comprehensive marketing plan may be used to locate owners/landlords as follows:
 - a. Un-impacted areas are identified.
 - b. Regular meetings are held with investors and other owner/landlord groups to explain the program and recruit owners/landlords. A presentation is given and written materials are distributed.
 - c. The rental stock in areas without concentration of very low-income and minority residents are surveyed to identify vacant units. The owners/landlords and managers are contacted.
 - d. Investors are recruited to purchase units in the identified areas and rent them to the Section 8 applicants/participants.
 - e. Apartment complex managers are recruited through meeting with manager associations and special training programs geared toward apartment management.
 - f. Ads and articles are placed in owner/landlord, manager and investor newsletters.
 - g. All Section 8 staff is required to adopt the customer service approach and implement the program accordingly.
 - h. Tax credit investors are monitored for proper participation to meet their responsibilities as participants using the Section 8 Housing Choice Voucher Program in conjunction with their other subsidies.
2. Mass media is used as needed.
3. Printed materials for owners/landlords may consist of:

- a. A one-page tri-fold handout; or
- b. An owner/landlord packet that describes all of the procedures as well as tips on how to be successful with the Section 8 Program Housing Choice Voucher Program.

D. Opening / Closing The Waiting Lists

1. Opening the Waiting Lists

The opening of the Waiting Lists shall be announced through public notices as follows:

- a. The notice shall be placed in a newspaper of general circulation in a minority publication, on the website, via social media and in plain view in the application office.
- b. Posting may be made at locations throughout the community and may be sent to social service agencies.
- c. The notices shall contain where and when interested parties can apply.
- d. The notice shall state limitations on who may apply (i.e. residents of jurisdiction, working families, extremely low-income income, etc.).
- e. The notice shall contain the Equal Opportunity Housing logo and non-discrimination statement in the advertising message.
- f. For FYI TPV the CYS will recommend participants qualified for those vouchers. Participants with FYI TPV can also be on the regular waiting list.
- g. HHA will maintain a Project-Based-Voucher (PBV) waiting list and a Tenant-Based-Voucher waiting list. The site specific PBV waiting list may be supplemented with HHA's Tenant-Based Voucher waiting list numbers, if the PBV waiting list is insufficient.

2. Closing the Waiting List

The closing date of the Waiting List may be announced at the same time the opening is announced, if determinable, or at another time when HHA reaches a number of applicants who will most likely receive assistance within a twelve (12) to eighteen (18) month period.

- a. The notice shall be placed in a newspaper of general circulation, in a minority publication, on the website, social media and in plain view of the application office.
- b. Postings may be made at locations throughout the community and may be sent to social service agencies.

III. Completion Of Application, Preferences, Determination Of Eligibility And Selection Of Families

A. Completion of Application

1. Pre-Application Procedures

- a. An online preliminary application form (pre-application) may be utilized. Applications will be accepted online during a determined date and time period and/or at a designated location. HHA will make special arrangements to provide reasonable accommodation for persons with disabilities. All accommodation requests must be in writing and sent to the Section 8 Office.

The Harrisburg Housing Authority will use a lottery system to sort the applications and assign a random number to select a pre-determined number of applications to transfer from the lottery pool to the wait list. The applications will be sorted by local preferences after the lottery selection has been made.

Multiple applications will not be accepted; only one application based on the Head-of-Household's Social Security Number and Date of Birth combination will be eligible for the lottery.

Applicants must have a valid email address.

Applicants will be notified if their application was selected by the random lottery or if their application was not selected via the App Checker.

- b. The purpose of the pre-application is to permit HHA to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list. The pre-application may contain questions designed to obtain the following information:
- Date and time of application;
 - Names of adult members and age of members;
 - Sex and relationship of all members;
 - Street Address and phone numbers;
 - Mailing Address (if different from street address);
 - Amount(s) and source(s) of income received by household members;
 - Information regarding disabilities to determine qualifications for allowances and deductions;
 - Information related to qualification for preference or special admissions;
 - Social Security Numbers;
 - Race/Ethnicity;
 - Citizenship/eligible immigration status;
 - Arrests/Convictions for Drug-Related or Violent Criminal Activity;
 - Request for Specific Accommodation needed to fully utilize program and services;

- Previous Address;
 - Current and previous landlords names and addresses;
 - Emergency contact person and address;
 - Program integrity questions regarding previous participation in HUD programs.
- c. Pre-applications may not require an interview. The information on the pre-application may 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.
- d. Applicants are required to inform HHA of changes in address or any other changes via the Applicant Portal. Applicants are also required to respond to requests from the HHA to update information on their application and to determine their interest in assistance.
- e. Failure to provide information or to respond to mailings may result in the applicant's name being removed from the waiting list. Mail that is returned by the U.S. Postal Service may result in removal from the waiting list. Applicants who are removed from the waiting list may reapply for assistance when the waiting list is open. Exception: If the applicant did not respond to HHA's request because of a family member's disability, HHA will reinstate the applicant in his/her former position on the waiting list.

2. Completion of a Full Application

- a. Families will be invited to come into the office to complete a full application at a scheduled interview. Appointments are scheduled by mail and will provide the applicant with at least two (2) weeks written notice. The appointment letter also identifies the type of information that the applicant will be required to bring to the interview.
- b. The family will complete the application on their own whenever possible. The head of household, as well as all members of the household over the age of eighteen (18) years must sign the application including all required HUD forms. Reasonable accommodations are made upon request for persons with disabilities.
- c. Requirement to Attend Scheduled Meeting

If the applicant cannot attend the scheduled interview, it is the applicant's responsibility to reschedule the interview. If the applicant fails to attend the scheduled appointment and does not contact the Housing Choice Voucher Program Office in writing or by telephone to reschedule the appointment, the application may be rejected and the family may be denied admission.

- d. Verification of Full Application Information

- (1) Information provided by the applicant will be verified including information documenting family composition, income, assets, allowances and deductions, preference status (if needed), full-time student status and other factors relating to eligibility, to determine applicant eligibility before the applicant is issued a Voucher.
- (2) Disclosure and verification of the Social Security Numbers (as assigned to them by the Social Security Administration) of all household members is mandated by HUD. HHA will follow the guidelines established by HUD in obtaining and verifying the Social Security numbers of the household members of an applicant family or tenant family. Disclosure and verification of social security numbers is addressed in Section C.

3. Final Determination and Notification of Eligibility

- a. After the verification process is completed, a final determination of eligibility will be made before inviting the family to a briefing session for issuance of voucher.
- b. The Housing Choice Voucher will not be issued before all eligibility criteria have been met.

4. Denial of Admissions

In addition to Section D of this chapter (Drug Abuse, Criminal Activity and Domestic Violence), denial of program assistance may be made for an applicant and participant for any of the following grounds:

- a. The family fails to supply any information or documentation that is determined necessary by HHA in the administration of the program;
- b. The applicant and participant provide information that is not true or complete;
- c. The applicant or family member(s) has been evicted from federally assisted housing in the last five years;
- d. If the HHA has ever terminated assistance under the Voucher Program for any member of the family for violation of the Family Obligations;
- e. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federally-assisted housing program;
- f. If the family currently owes rent or other amounts to HHA or another PHA in connection with any Section 8 Program(s) or Public Housing Assistance under the 1937 Act;

- g. If the family has not reimbursed any PHA for amounts paid to an owner/landlord under a HAP contract for rent, damages to the unit or other amounts owed by the family under the lease;
- h. If the family breaches an agreement to pay amounts owed to a housing authority or amounts paid to an owner/landlord by a housing authority. (HHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to HHA or amounts paid to an owner/landlord by HHA. HHA may prescribe the terms of the agreement);
- i. If the family has engaged in or threatened abusive or violent behavior toward HHA personnel; and
- j. If an applicant is a Sex Offender and/or required to be registered in a “State life-time sexual offender” registry, they will be determined ineligible;
- k. If any family member has been convicted of manufacturing or producing methamphetamine on the premises of any federally assisted housing (including the building or complex in which unit is located and associated common areas and grounds);
- l. The applicant does not meet the eligibility criteria (e.g. the family’s annual income exceeds income limits for a family of that size); and
- m. Any adult member refuses to sign or submit required consent forms (i.e. non-citizen status, form HUD-9886 Authorization for Release of Information/Privacy Act Notice and other consent forms).

5. Right to an Informal Review

The Informal Review process can be reviewed in greater detail in “Section XXI Informal Hearings & Reviews”.

- a. Applicants who are denied Section 8 assistance are entitled to an informal review.
- b. Ineligible applicants will be promptly provided with a letter detailing their individual status, stating the reason(s) for ineligibility, and offering them an opportunity for an informal review.
- c. Applicants must submit their request for an informal review in writing to HHA within ten (10) calendar days from the date of the determination.

6. Updating the Waiting List (Purge)

- a. HHA will update (purge) the waiting list to ensure that it is current and accurate.

- b. HHA’s project based vouchers will have a site-specific wait list. If the site-specific wait list is not adequate due to low numbers of individuals/families on the waiting list, HHA will supplement the site-specific waiting list with the individuals/families on the tenant-based program waiting list.
- c. If the applicant does not notify HHA that they have changed their address as required, HHA will not be responsible for the applicant’s failure to receive notices sent by HHA to the applicants address on file, regarding purging of the waitlist..
- d. Notification of a change in address sent to the U.S. Post Office or sources other than the HHA, does not comply with the requirements to notify HHA.
- e. Applicants are required to log into the Applicant Portal to update their application and check their current status at least once a year in order to remain active on the Wait List.

B. Local Preferences (see definitions)

The following are the local preferences:

- 1. Involuntarily displaced 10 pts
- 2. Veterans and Veterans families; 10 pts
- 3. Victims of domestic violence; 10 pts
- 4. Homelessness; 10 pts
- 5. Residency (Live in Harrisburg Housing Authority’s jurisdiction); 5 pts

C. Eligibility Determination

HHA will determine whether an applicant for participation in the Section 8 Housing Choice Voucher Program:

- Qualifies as a family;
- Is income-eligible;
- If family has provided acceptable disclosure and documentation of Social Security Numbers for each household member;
- If members of the household are U.S. Citizens or Nationals or meet eligible non-citizen immigration status;
- If household members have no history of drug/alcohol abuse or violent crime;
- If family has no household member subject to lifetime registration under any State sex offender law;
- If family has no household member that owes money to any housing authority;
- If each household member complies with the requirement to sign release information authorization and/or consent forms.

1. Family Designation

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

- a. Two (2) or more persons who intend to share residency whose income and resources are available to meet the family's needs and who have a history as a family unit or show evidence of a stable family relationship for at least one (1) year if not legally married.
 - b. Evidence of a "stable family relationship" may include any of the following: birth certificates of the children, joint tax returns, prior lease (held jointly), joint bank accounts, insurance policies, affidavit of domestic partnership or equivalent documentation.
 - c. A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child's temporary absence from the home and is not intended to artificially enlarge the space available for other family members.
 - d. An elderly household whose head, spouse or co-head meets the following definitions (unless otherwise approved by HUD). The head, spouse, co-head or sole member must be:
 - 62 years of age or older;
 - Disabled with a physical impairment which is expected to be of a long, continued and indefinite duration (at least the next 12 months), which substantially impedes but does not prohibit his/her ability to live independently, (Alcohol and/or drug addiction is not considered part of the definition for disabled); or
 - Disabled within the meaning of Section 223 of the Social Security Act or Section 102 (b) or 6001 (7) of the Developmentally Disabled Act; or
 - Two (2) or more elderly or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides; or
- a. Near-Elderly Family
 - A family whose head, spouse or co-head, or sole member is a person who is at least 50 years of age but below the age of 62;
 - Two or more persons living together who are at least 50 years of age but below the age of 62;
 - One or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.
 - b. Single Persons

A person 18 years or older, who lives alone or intends to live alone, and who does not qualify as an elderly family or displaced person or as the remaining member of a resident family.

g. Eligible Single Student of Higher Education

A single student of higher education must be:

- Of legal age or an emancipated minor under the state law, and
- If the student is unmarried, under age 24, not a military veteran, and does not have a dependent child, he/she must be individually income eligible for admission and continued participation in the Section 8 Program; and
- Have parents who both individually and together are income eligible for the program or must be able to verify that he/she has been independent of parents for at least one year.

h. Remaining Members

The remaining members of a participant family shall be considered a family. When the head of household departs the family, the adult 18 years old or older, responsible for the children may receive assistance until the head of the household returns.

i. Head of Household

The head of household is an adult member of the household, 18 years old or older, who is designated by the family as the head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter into a lease under State/Local law. Emancipated minors who qualify under State laws will be recognized as head of household.

j. Split Household Prior to Issuance of Assistance

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

- Which family member retains the children or any disabled or elderly members;
- Recommendation of social services agencies or qualified professionals, such as children's protective service.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, both may be denied placement on the waiting list.

k. Anticipated Family Composition

For initial application, members of the family not currently residing together, but who will be in the household under Section 8 may be listed. The family is to provide documentation describing why the family members are not currently living together.

1. Joint Custody of Children

Children who are subjected to a joint custody agreement, but live with one parent at least 51% of the time will be considered members of the household. “51% of the time” is defined as 186 days of the year, which do not have to run consecutively.

m. Live-In Aides (also referred to as Live-in Attendants)

A family may include a live-in aide who:

- is determined 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 family; and
- would not be living in the unit except to provide care for the person(s);
- whose income will not be counted for purposes of determining eligibility or rent; and
- who may not be considered as a remaining member of the resident family;
- relatives are not automatically excluded from being care attendants, but must meet the definition described above;
- a live-in attendant’s family may be allowed to reside in the assisted unit provided that doing so does not increase the subsidy cost of an additional bedroom, and the presence of the live-in attendant’s family does not overcrowd the unit;
- a live-in aide may only reside in the unit with pre-approval. Written verification for the need of a live-in aide will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. The provider must certify that a live-in aide is needed for the care of the family member. The live-in aide will be required to meet the screening criteria.

2. Income Eligibility

A family’s annual income at time of admission to the HCV Program must fall within the applicable Low-Income limits as published by the Department of Housing and Urban Development. Some families may qualify if they are Low-Income under these circumstances:

- a. A low-income family that is “continuously assisted” under the 1937 Housing Act;
- b. A low-income family physically displaced by rental rehabilitation activity under 24 CFR 511;
- c. A low-income non-purchasing family residing in a HOPE 1 (HOPE for Public and Indian Housing Homeownership) or HOPE 2 (HOPE for Multifamily Units) Project;

- d. A low-income non-purchasing family displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165; or.
- e. A low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173.

Income limits apply only at time of admission and are not applicable for continued occupancy. However, as the family's income increases the assistance may decrease.

The applicable income limit for issuance of a voucher is the highest income limit for the family size within the housing authority's jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.

Families, who are moving into the HHA's jurisdiction under portability and have the status of applicant rather than of participant at their initial housing authority, must meet the income limit for the area where they were initially assisted under the program.

Families who are moving into the HHA's jurisdiction under portability and are already program participants at their initial housing authority do not have to meet the income eligibility requirement for the receiving PHA.

Income limit restrictions do not apply to families transferring units within the Housing Authority's Housing Choice Voucher Program.

3. Mandatory Disclosure and Verification of Social Security Numbers (SSN)

Prior to admission, the applicant must disclose and provide acceptable documentation of the Social Security number for each household member as assigned by the Social Security Administration. This includes any SS numbers assigned to applicant/participant family members under any other names. The family must provide assigned SS numbers for newborns within sixth (60) days of birth.

All household members approved by the HHA to be added after admission are required to disclose and provide documentation of Social Security numbers at the time the request is made to add the member.

Elderly family members are required to provide their Social Security numbers and may be granted a sixty (60) day extension if needed for them to provide verification of their numbers.

A member who does not have a Social Security number must certify that they do not, in fact, have a number.

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

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

a. Applicants

HHA shall deny the eligibility of an applicant if each member of the household who is required to disclose their SSN fails to disclose and/or provide documentation of their individual SSN.

b. Program Participants

HHA shall terminate the assistance of the entire household of a participant family if the household members who are required to disclose and document their SSN fail to do so.

If the family is otherwise eligible for continued occupancy, HHA at its discretion may defer the family's termination of assistance and provide the family an opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date HHA determined the family noncompliant with the SSN disclosure and documentation requirement, if HHA determines:

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

HHA shall terminate the assistance of the entire household if the family is unable to comply with the requirements by the specified deadline.

Verification of Social Security Numbers

Social Security verification requirements are outlined in 24 CFR Part 5.210-5.238 - Disclosure of Social Security and Employer Identification Numbers.

Social Security numbers (SSN) for each household member must be disclosed as a condition of eligibility by all applicants and tenants in the public housing program (24 CFR 5.216).

Exceptions to this requirement are:

- Those individuals who do not contend to have eligible immigration status.
- Existing program participants as of January 31, 2010 who have previously disclosed their SSN and HUD has determined the SSN to be valid. HHA shall

confirm HUD's validation of the participant's SSN by viewing the household's EIV Summary Report or the EIV Identity Verification Report.

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

HHA shall request applicants and tenants to disclose and provide documentation of each household member's SSN in the following acceptable form:

- Original SSN card issued by the Social Security Administration (SSA);
- Original SSA-issued document, which contains the name and SSN of the individual, or
- Original document issued by a federal, state, or local government agency which contains the name and SSN of the individual.

To verify the disclosed SSN for each household member, HHA as required by regulation shall:

- a. Obtain the documentation listed above;
- b. Make a copy of the documentation submitted and retain the copy in the file folder;
- c. Record the SSN accordingly in the Family Report (HUD-50058) and transmit the form to HUD within a timely manner. (Note: Not applicable to applicants)

If an Applicant or Participant is able to disclose the Social Security number but cannot meet the documentation requirements, the Applicant or Participant must sign a self-certification to that effect. The Applicant/Participant or Family member will have an additional sixty (60) calendar days to provide proof of the Social Security number. If the documentation is not provided, the Family's assistance may be terminated and the Family evicted or the Applicant not admitted.

Rejection of the Documentation

HHA may reject the documentation of the SSN provided by the applicant or participant for the following reasons:

- a. The document is not an original document; or
- b. The original document has been altered, mutilated or not legible; or
- c. The document appears to be forged document (does not appear to be authentic).

HHA shall explain to the applicant or participant the reason(s) the document is not acceptable. HHA shall then request the individual to obtain acceptable documentation of the SSN and submit the document to HHA within thirty (30) days.

HHA shall verify the SSN via the EIV Summary Report or the EIV Income Report and shall maintain a copy of the report in the family file as confirmation of compliance with the SSN disclosure, documentation and verification requirements.

Once the household member's SSN verification status is classified as verified, HHA shall remove and destroy (by shredding or burning) the copy of the acceptable form of documentation from the family file not later than by the next re-exam of family income or composition. Retention of the EIV reports in the tenant file shall be considered adequate.

Individuals without an assigned SSN

Examples of some individuals who may not have a SSA-assigned SSN are listed below. This list is not all-inclusive.

- Newborn children
- Noncitizens lawfully present in the U.S.
- Noncitizens unlawfully present in the U.S.

Newborn children will be issued a SSN upon SSA confirmation of birth.

Noncitizens lawfully present in the U.S. will be issued a SSN upon SSA confirmation of the individual's DHA documentation or confirmation that the individual is required by law to provide a Social Security number in order to receive assistance benefit they previously deemed eligible to receive.

Noncitizens unlawfully present in the U.S. cannot be assigned a Social Security Number.

HHA shall require a citizen or lawfully present noncitizens who state they have not been assigned a SSN by the SSA to make such declaration in writing and under penalty of perjury. The self declaration shall be maintained in the family file.

Addition of a New Household Member

- New Household member at least six years of age or under the age of six and has an assigned SSN:

When the family requests to add a new household member in this age category, the Family must disclose to HHA the assigned SSN of the new household member and provide HHA with the acceptable form of documentation at the time of such request. If the family is unable to provide HHA with the required

documentation of the SSN, HHA will not add the new household member until the family provides such documentation.

2. New household member under the age of six

When the family requests to add a new household member in this age category and the new member does not have an assigned SSN, the family must disclose the assigned SSN and provide HHA with the acceptable form of documentation within ninety (90) calendar days of the child being added to the household. If HHA determines the family was not able to comply with the SSN disclosure and documentation requirement due to circumstances that could not have reasonably been foreseen and were outside the control of the family, HHA will, as required, grant the family an additional 90-day period to comply.

Examples of circumstances outside the control of the family include but are not limited to:

- Delayed processing of SSN application by SSA
- Natural disaster
- Fire
- Death in family

HHA shall require the family to provide documentation of the unforeseen circumstances “out of the control of the family” the family has endured.

During the allotted time HHA is providing to the family to comply with the SSN disclosure and documentation requirements, the child shall be included as part of the assisted household and shall be entitled to all the benefits of being a household member.

If the family does not comply with the SSN disclosure and documentation requirements by the expiration of the allotted time provided to the family, HHA shall terminate the family’s tenancy.

4. Outstanding Debt to Any PHA

HHA may at any time deny program assistance for an applicant or terminate program assistance for a participant, if any member of the applicant/participant family owes rent or other amounts to HHA or to any other PHA in connection with Section 8 or public housing assistance programs.

5. Authorization for the Release of Information/Privacy Act Notice

Each member of the applicant family who is eighteen (18) years of age or older, must sign an Authorization for the Release of Information/Privacy Act form (HUD-9886) annually authorizing HUD and HHA to request information from specified sources

necessary to verify the household's income. A household member who turns 18 during the year will be required to sign a HUD-9886 at the family's next annual or interim recertification.

Any adult that is requested to be added to the household composition must sign the authorization form at the time the request is made.

The sources of information to be obtained by HUD and/or HHA will be in accordance with the limitations addressed for each source in form HUD-9886.

Critical implementation factors require HHA to utilize other consent forms to verify information other than the limited sources permitted by the HUD-9886 form. The information requested is pertinent to determine the family's eligibility and/or level of assistance HHA can provide.

Information to be verified by HHA may include but is not limited to the following:

- Verifying previous and present employment with detailed information i.e., dates of employment, date of wage increases, bonuses, etc.
- Criminal drug usage/activities background checks
- Eligibility for local preferences established by HHA
- Child care expenses
- Disability expenses
- Medical expenses
- Citizenship or eligible non-citizen status

All adult household members must sign one or more of these consent forms as requested by HHA.

6. Restrictions on Assistance to Non-Citizens or Eligible Immigration Status Requirements

a. Required Documentation

- Section 8 programs are covered under Section 214 of the Housing and Community Development Act of 1980, which makes financial assistance contingent upon the submission of verifiable evidence of citizen or eligible non-citizen status.
- Families must submit evidence of citizenship or eligible non-citizen status. A family consisting of members with both eligible and ineligible status *may* be eligible for prorated assistance.
- Verification of evidence of eligible non-citizen status is necessary to determine whether or not the applicant/participating family is eligible for continuing assistance or admittance to the program. Families will be required to submit a declaration for all members who claim eligible status and/or provide a listing of those members who do not claim eligible status.

- Non-citizen students do not have eligible status, nor does their non-citizen spouse and/or minor children accompanying or joining the non-citizen student. A citizen spouse or minor children of a citizen spouse and non-citizen student are eligible for assistance, however;
- Eligible immigration status includes the following categories:
 - Citizens or national of the United States;
 - Non-citizens with status in one of the following categories:
 - ▶ A non-citizen admitted to the U.S. for permanent residence under Section 101 (a) (20) of the Immigration and Nationality Act (INA); as an immigrant under Section 101 (a) (15) or as a special agricultural worker under Section 120 or 210A of the INA;
 - ▶ A non-citizen who entered the U.S. before January 1, 1972, (or such later date as enacted by law), and who (1) has continuously maintained residence in the U.S. since then, (2) who is not ineligible for citizenship, and (3) who has been deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General under Section 249 of the INA;
 - ▶ A non-citizen admitted to the U.S. with refugee status under Section 207 of the INA, or with asylum status under Section 208 of the INA, or admitted before April 1, 1980 under Section 203(a)(7) of the INA;
 - ▶ A non-citizen admitted to the U.S. with parole status under Section 212(d) (5);
 - ▶ A non-citizen lawfully present in the U.S. as a result of the Attorney General's withholding deportation under Section 243(h) of the INA (threat to life or freedom); or
 - ▶ A non-citizen admitted for temporary or permanent residence under Section 245A of the INA.
 - Evidence of citizenship or eligible non-citizen status shall consist of the following documents or such other documents as deemed acceptable by HUD or the U.S. Citizenship and Immigrations Services (CIS) (formerly INS):
 - For citizens: a signed Declaration of U.S. citizenship
 - For non-citizens:
 - ▶ A signed Declaration of eligible immigrations status;
 - ▶ The CIS documents listed in Guidebook 7465.10G, Chapter 6, Section 6-4 (or any other documents determined by the CIS to be acceptable evidence and announced by notice in the Federal Register); and
 - ▶ A signed Verification Consent Form
 - Documents submitted by an applicant family to verify eligible immigration status will be first verified using the CIS Systematic Alien Verification for Entitlements (SAVE) system. If the SAVE system does not provide verification, a secondary manual search of

CIS records will be instituted by HHA. If both searches fail to verify eligibility, the family will be notified and will be given the option of requesting an appeal to the CIS ad/or a HHA informal hearing.

b. Ineligible Immigration Status

- Families determined to be ineligible when the evidence of citizenship or eligible non-citizen status submitted by a head of household or spouse cannot be verified either by HHA's preliminary inquiry nor by the CIS secondary search will be notified in writing that the individual or family has been determined ineligible.
- Families determined ineligible due to lack of citizenship or non-eligible citizenship status may request an appeal to the CIS according to 24 CFR 5.514(e) and may request an informal hearing with HHA. Applicant families may request an informal hearing as described in Section 9-2 (c) (2) of Guidebook 7465.10G either upon the completion of the CIS appeal or in place of the CIS appeal.
- Assistance to an applicant may be delayed if the CIS appeal process has been concluded, but may not be denied until after the conclusion of HHA's informal hearing process, if an informal hearing is requested by the applicant.

D. Drug Abuse, Criminal Activity and Domestic Violence

1. Denial of Admissions

a. Lifetime/Permanent Denial

Any applicant or applicant household member convicted of a 1st degree Felony (F1) crime shall be denied admission to the HCV program for life. HHA may waive this requirement with mitigating circumstances unless the conviction is for production of methamphetamine or the individual is subject to lifetime registration under a state sex offender registration program.

Persons who have ever been convicted of or pled "No Contest/Nolo Contendere" to manufacturing or production of methamphetamine. HHA will NOT waive this requirement with mitigating circumstances or evidence of rehabilitation (as described herein);

Persons subject to lifetime registration under a state sex offender registration program or convicted of crimes of indecency against a child shall be permanently denied admission. This check shall be carried out on a national basis. HHA will NOT waive this requirement with mitigating circumstances or evidence of rehabilitation (as described herein).

b. 10-Year Denial

Any applicant or applicant household member ever convicted of or pled "No Contest/Nolo Contendere" to a 2nd or 3rd degree Felony (F2, F3) crime, shall be denied admission to the HCV program for a period of 10 years from the date they were released from the judicial system including the payment of costs and fines in full. HHA may waive this requirement with mitigating circumstances or evidence of rehabilitation (as described herein).

Persons subject to registration requirements under a state sex offender registration program that are for periods of less than lifetime. Additionally:

- i. a written statement from a qualified professional, knowledgeable about the individuals situation, substantiating absolute rehabilitation and that the individual is not likely to offend in the future;
- ii. evidence of successful and sustained modification of previous disqualifying behavior for a minimum of five (5) years.

c. 7-Year Denial

Any applicant or applicant household member ever convicted of or pled "No Contest/Nolo Contendere" to a 1st degree Misdemeanor (M1) crime, shall be denied admission to the HCV program for a period of seven (7) years from the date they were released from the judicial system including the payment of costs and fines in full. HHA

may waive this requirement with mitigating circumstances or evidence of rehabilitation (as described herein).

Any applicant or applicant household member ever involuntarily terminated (resulting in vacation) or evicted from a residence/residential program/homeless shelter, etc., Indian housing, Section 23, any Section 8/HCV Program or other federally subsidized housing program as a result of a serious lease violation such as (but not limited to) drug-related criminal activity and/or criminal activity and/or crimes of violence against persons and/or property shall be denied admission to the public housing program for a period of seven (7) years beginning on the vacate date AND demonstration of successful residential rehabilitation (able to execute a lease agreement with an owner/agent/landlord [not related] and follow all terms and conditions of said agreement successfully for a period of 12 consecutive months). HHA may waive this requirement with mitigating circumstances or evidence of rehabilitation (as described herein).

d. 5-Year Denial

Any applicant or applicant household member ever convicted of or pled "No Contest/Nolo Contendere" to a 2nd degree Misdemeanor (M2) crime, shall be denied admission to the HCV program for a period of five (5) years from the date they were released from the judicial system including the payment of costs and fines in full. HHA may waive this requirement with mitigating circumstances or evidence of rehabilitation (as described herein).

Persons as a former tenant, whose lease was involuntarily terminated or required were to vacate the property by the landlord/owner for cause are ineligible for a five (5) year period (beginning on the date possession of the property was returned to the landlord/owner) AND evidence of successful residential rehabilitation (able to execute a lease agreement with an owner/agent/landlord [not related] and follow all terms and conditions of said agreement successfully for a period of 12 consecutive months) is provided. HHA MAY waive the five (5) year requirement with mitigating circumstances AND residential rehabilitation (as described herein).

e. 3-Year Denial

Any applicant or applicant household member ever convicted of or pled "No Contest/Nolo Contendere" to a 3rd degree Misdemeanor (M3) crime, shall be denied admission to the HCV program for a period of three (3) years from the date they were released from the judicial system including the payment of costs and fines in full. HHA MAY waive this requirement with mitigating circumstances or rehabilitation (as described herein).

f. Prohibiting Admission of Persons Terminated for Drug-Related Criminal Activity

HHA prohibits admission to the program of an applicant for three (3) years from the date of eviction if a household member has been evicted from federally assisted housing for

drug-related criminal activity. However, HHA may admit the household if HHA determines:

- (1) The household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by HHA; or
- (2) The circumstances leading to termination no longer exist. (For example, the criminal household member has died or is imprisoned.)

The following are standards to be applied as appropriate for drug-related criminal activity and other criminal activity concerning denial of admission:

- (1) HHA may determine the use of an illegal drug through a conviction of drug-related charge.
- (2) HHA shall determine involvement in criminal activity through the conviction for a criminal activity.
- (3) Any “household member” including adults and minors who are on the lease or who are living in the household, but not reported to HHA.
- (4) Currently engaging in illegal use of a drug or other criminal activity shall be defined as a conviction within one year from the date HHA discovers the conviction.
- (5) Reasonable cause shall be determined by a conviction on an illegal use of a drug charge or other criminal activity.
- (6) There is no time period concerning the conviction of a drug-related charge for manufacturing, production, or distribution of meth-amphetamine on the premises of federally assisted housing. Such household members being convicted of this offense will always be denied admission.
- (7) The time period of ineligibility for admissions for other drug-related convictions or other criminal activity convictions shall correspond with the above denial times based on the charge.
- (8) Evidence of criminal activity shall be defined as conviction of criminal activity.
- (9) There is no time period concerning the household who has a member of the household who is a perpetrator of domestic violence or stalking. Such household will always be denied admission. Unless the perpetrator is removed from the application.

2. Termination of Assistance

The Harrisburg Housing Authority may at any time terminate program assistance for a participant because of any of the following actions or inactions by the household:

- (1) If the family violates any family obligations under the program;

- (2) If the family was evicted from housing assisted under the Section 8 program for serious violations of the lease;
- (3) If a family member fails to sign and submit consent forms;
- (4) If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If the Harrisburg Housing Authority determines that a family member has knowingly permitted an ineligible noncitizen (other than any ineligible noncitizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination;
- (5) Have a household member who is currently engaging in illegal use of a drug;
- (6) Have a household member whose pattern of illegal drug use interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.;
- (7) Have a household member who has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine;
- (8) Have a household member who is subject to a lifetime registration requirement under a State sex offender registration program;
- (9) If any member of the family commits drug-related or violent criminal activity in violation of Section 2.3 of this Administrative Plan and 24 CFR 982.551;
- (10) Have a household member whose abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;
- (11) Have a household member who is a fugitive felon, parole violator or person fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees;
- (12) Have a family member who violates any family obligations under the program;
- (13) Have a family member who has been evicted from federally assisted housing in the last five years;

- (14) Have a family member that Harrisburg Housing Authority has ever terminated assistance for under the program;
- (15) Have a family member that has committed fraud, bribery, or any other corrupt or criminal act in connection with any Federal housing program;
- (16) Currently owes rent or other amounts to the Harrisburg Housing Authority or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act;
- (17) Have not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;
- (18) Have breached an agreement with Harrisburg Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority;
- (19) If a family participating in the Family Self-Sufficiency Program fails to comply, without good cause, with the family's FSS Contract of Participation;
- (20) Have engaged in or threatened abusive or violent behavior towards any Harrisburg Housing Authority staff member or resident;
- (21) Any family who has been without a Housing Assistance Payment (HAP) for six consecutive months will be terminated.
- (22) Heads of Household are responsible for the actions of their guests. This is particularly true for criminal activities and disturbing one's neighbors.
- (23) Theft of program funds over \$2000.

For purposes of this section, the Harrisburg Housing Authority may terminate assistance for criminal activity by a household member as authorized in this section if the Harrisburg Housing Authority determines, based on a preponderance of the evidence, that the household member has engaged in the activity, regardless of whether the household member has been arrested or convicted of such activity.

An arrest record, alone, will not serve as sufficient evidence of criminal activity that can support a termination decision. Before the Harrisburg Housing Authority terminates the assistance of an individual or household on the basis of criminal activity by a household member or guest, it will determine that the relevant individual actually engaged in such activity.

An arrest record can trigger an inquiry into whether there is sufficient evidence to determine that a person engaged in disqualifying criminal activity, but is not itself evidence on which to base a determination. The Harrisburg Housing Authority can utilize other evidence, such as police reports detailing the circumstances of the arrest, witness statements, and other relevant documentation to assist them in making a determination that disqualifying conduct occurred. Reliable evidence of a conviction for criminal conduct that would disqualify an individual for tenancy may also be the basis for determining that the disqualifying conduct in fact occurred. If the Harrisburg Housing Authority proposes to terminate assistance for criminal activity as shown by a criminal record, the Harrisburg Housing Authority will notify the household of the proposed action to be based on the information and must provide the person with the criminal record (i.e., the family member) and the head of household with a copy of the criminal record (upon request) and an opportunity to dispute the accuracy and relevance of that record, in accordance with the procedures established for the Informal Hearing for Participants. The household will have ten (10) calendar days to dispute the accuracy and relevance of the record in writing.

Any family absent from the assisted unit for more than 90 consecutive calendar days must be terminated from the program.

In circumstances of a family break-up, the Harrisburg Housing Authority will make a determination of which family member will retain the housing choice voucher, taking into consideration the following factors:

- (1) To whom the housing choice voucher was issued.
- (2) The interest of minor children or of ill, elderly, or disabled family members.
- (3) Whether the assistance should remain with the family members remaining in the unit.
- (4) Whether family members were forced to leave the unit as a result of actual or threatened physical violence by a spouse or other member(s) of the household.

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement of judicial decree, the Harrisburg Housing Authority will be bound by the court's determination of which family members continue to receive assistance in the program.

The Harrisburg Housing Authority will make every effort to recover monies that have been overpaid for families and to owners. Harrisburg Housing Authority will attempt to communicate program rules in order to avoid these debts. Before a debt is assessed against a family or owner, the file must contain documentation to support Housing Authority's claim that the debt is owed. The file must contain further written documentation of the method of calculation.

4. Consideration of Circumstances

In determining whether to deny or terminate assistance because of action or failure to act by members of the family:

- a. HHA may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstance related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.
- b. In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, HHA may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully (42 U.S. C. 13661). For this purpose, HHA may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.
- c. If the family includes a person with disabilities, HHA's decision concerning such action is subject to consideration of reasonable accommodation in accordance with 24 CFR part 8.

5. Records Management

- a. All criminal information received will be maintained confidentially and not misused, or improperly disseminated.
- b. All information provided to an owner, manager, or HHA pursuant to VAWA, including the fact that an individual is a victim of domestic violence, dating violence or stalking, shall be retained in confidence by an owner, manager or HNHA and shall neither be entered into any shared database nor be provided to any related entity, except to the extent disclosure is requested or consented to in writing by the individual; required for use in an eviction proceeding of an abuser, stalker or perpetrator of domestic violence; or is otherwise required by applicable law.
- c. Such information may be housed in a locked file with access restricted to individuals responsible for screening and determining eligibility and to the President.
- d. If the applicant is determined to be eligible, the criminal report shall be shredded as soon as the applicant is housed. If the applicant is denied assistance, the criminal record information shall be destroyed immediately upon completion of the hearing or due process procedures and a final decision has been made.

- e. All information received from a drug treatment facility must be maintained confidentially and not be misused improperly or disseminated.
- f. The information must be destroyed either:
 - (1) No Later than five (5) business days after HHA makes a final decision to admit the person to the HCV Program; or
 - (2) If HHA denies admission, HHA will destroy the information in a timely manner after the statute of limitations has passed for the individual to file a civil lawsuit.

6. Drug Treatment Facility Information

- a. As needed during the informal review or hearing process HHA may seek information from a drug treatment facility to verify that an applicant or participant is participating in or has completed a drug rehabilitation program, or to verify drug-free status.
- b. In such cases HHA will utilize a written consent form required by 24 CFR 960.205.
- c. HHA is not obligated to request information from drug treatment facilities and is not liable for damages for failure to request or receive the information.
- d. All information received from a drug treatment facility must be maintained confidentially and not be misused improperly or disseminated.
- e. The information must be destroyed either:
 - (1) No later than five (5) business days after the PHA makes a final decision to admit the person to the Housing Choice Voucher Program; or
 - (2) If HHA denies admission, HHA will destroy the information in a timely manner after the statute of limitations has passed for the individual to file a civil lawsuit.

7. Components of Screening Process

A criminal history report will be requested from the law enforcement agency/agencies for adult members according to the following procedure:

- a. For all applicable household members, HHA will submit to a law enforcement agency the name, sex, race, date of birth and social security number.
- b. Based on the identifiers submitted, the law enforcement agency will provide HHA with any criminal history conviction record information and outstanding warrants

that are found on the law enforcement agency Computerized Criminal History database and the appropriate Crime Information Center.

- c. The law enforcement agency may also search the National Crime Information Center (NCIC) for criminal information. If a record exists, the law enforcement agency will notify HHA that such information was found, and will provide HHA with a copy of the information.
- d. If the person disputes or contests the criminal history report received by HHA, HHA may at this time determine that a fingerprint check is necessary.
- e. In no case will the applicant be charged for the cost of the criminal history checks.

8. Ineligibility Determination

- a. Families determined to be ineligible due to the definition of family, income, or drug-related criminal or violent criminal activity, or a pattern of alcohol abuse, will be notified in writing that they do not qualify for the program. Families will be notified of the right to have an Informal Review.
- b. The Informal Review will be conducted according to regulatory requirements and as outlined further in this Administrative Plan.
- c. If the applicant or household members refuse to supply required information and/or refuse to sign form HUD-9886 or other HHA release forms, the family will be determined to be ineligible. The informal review process will apply to an applicant family who has been denied assistance on these grounds.

E. Selection From Waiting List

1. Basic Selection Policy

As applicants are needed for the Section 8 program, random drawings will occur from the lottery pool. The HHA will determine the number of applicants drawn based on need. Drawing dates and selected lottery numbers will be posted on the HHA's website.

HHA will maintain a site specific waiting list for Project-Based Vouchers (PBV), and a Tenant-Based Voucher (TBV) waiting list. HHA may supplement the site-specific PBV waiting list with the TBV waiting list when the PBV waiting list has insufficient numbers.

2. Income Targeting Pursuant to the Quality Housing and Work Responsibility Act

- a. Not less than seventy-five percent (75%) of all new admissions shall be families whose income is below thirty percent (30%) of the area median income. A "new admission" shall be defined as an applicant being offered assistance. (Note: A

PHA can reduce its required public housing admission of families with income below 40% of median income in a given fiscal year by admitting more than 75% of extremely low-income families.)

- b. A PHA may admit a lower percent of extremely low-income families during a PHA's fiscal year (than otherwise required) if HUD approves the use of such lower percent by HHA, in accordance with HHA's plan, based on HUD's determination that:
 - (1) HHA has opened its waiting list for a reasonable time for admission of extremely low-income families residing in the same metropolitan statistical area (MSA) or non-metropolitan county, both inside and outside HHA's jurisdiction;
 - (2) HHA has provided full public notice of such opening to such families, and has conducted outreach and marketing to such families, including outreach and marketing to extremely low-income families on the Section 8 and public housing waiting lists of other PHA's with jurisdiction in the same MSA or non-metropolitan county;
 - (3) There are not enough extremely low-income families on HHA's waiting list to fill available slots in the program during any fiscal year for which use of a lower percent is approved by HUD; and
 - (4) Admission of the additional very low-income families other than extremely low-income families to the PHA's tenant-based Voucher Program will substantially address worst case housing needs as determined by HUD.
- c. Two (2) or more PHA's in the same jurisdiction may elect to be treated as a single PHA for purposes of meeting targeting goals.
- d. If a family initially leases a unit outside the PHA jurisdiction under portability at admission to the Voucher Program, such admission shall be counted against the targeting obligation of the initial PHA (unless the receiving PHA absorbs the portable family into the receiving PHA Voucher Program from the point of admission).
- e. For further Income Targeting clarification refer to 24 CFR Section 982.201.

F. Monitoring Of Selection And Leasing

In compliance with SEMAP requirements, a statistical report is prepared each month to insure HHA has complied with current regulations affecting the waiting list and selection as it relates to income requirements, single elderly and non-elderly families and the local preference selection of families.

G. Special Purpose Funding Admissions

HUD may provide funding to serve a targeted population. When HUD targets funding assistance for a special populace, HHA may accept an application and place the applicant on the waiting list even though the waiting list may be closed. Since HUD specifies the special population, there is no limit to the number of admissions except for the limit as defined by HUD in establishing the special population and funding.

IV. Determination Of Income, Total Family Contribution And Family Share

HHA will not devise or implement income or rent determination, verification or other related policies or procedures in a way that discriminates against persons on the basis of race, color, national origin, sex, religion, familial status and perceived or actual disability.

A. Annual Income

Annual Income is used to determine whether the family is within the Income Limits. Annual income is the anticipated amounts, “monetary or not,” that go to, or “on behalf of,” the family (including temporarily absent head, spouse or co-head), and are received from a source outside the family within the twelve (12) months following certification. All income that is not specifically excluded in the HUD regulations is counted.

Adjusted Income is the Annual Income minus HUD allowable expenses and deductions.

Both Annual and Adjusted Income are used to calculate the amount of the subsidy for Vouchers. In calculating Annual and Adjusted Income, HHA must include the income of every member of the household, including those who are temporarily absent. Income of persons who are permanently absent from the household will not be counted.

Income is defined by HUD regulations and is further interpreted in HUD Notices and Memos which must be followed. However, there are policy decisions that are needed in order to assure consistent interpretation of HUD regulations.

HHA is required to verify family income, family composition and characteristics, value of assets and other factors relating to eligibility determinations both before an applicant is issued assistance and annually. Verification of family-reported income will be verified via HUD’s mandated tiers of verification techniques as addressed in detail in this policy.

B. Income Exclusions

1. **Income of Temporarily Absent Household Members**

In accordance with HUD regulations, the income of the temporarily absent spouse of the head of household will be included in total family income. HHA will consider an absence anticipated to last less than twelve (12) months to be “temporary” unless the head of household can provide verification that the household member is permanently absent.

In calculating Annual and Adjusted Income, HHA must estimate the income of every member of the household, including those who are temporarily absent. Income of persons who are permanently absent from the household will not be counted. Families must report in writing to HHA any absence from the household of more than sixty (60) consecutive days and shall report their absence to the owner/landlord, consistent with the lease provisions. Any changes in family composition must be reported in writing to the HHA within thirty (30) calendar days of the change in family composition. Families will

be counseled at briefing sessions and re-certification on the effect family composition may have in determining Voucher size and Total Tenant Payment as well as the HHA's policies for dealing with such changes. At times, situations may arise that result in the temporary or permanent absence of a family member or members from the household. Such situations will be handled in the following manner:

- a. Absence of children for foster care. In instances in which the children have been removed from the home by a social service agency, the agency will be contacted to determine the approximate length of time the children are expected to be away from the home.
- (1) If the agency indicates that the children are expected to return to the home at some point, the children will remain a part of the family composition and will be counted toward the family's subsidy standard, but will not be counted as dependents until they return to the home.
 - (2) If the children are not ever expected to return to the home, the children will be removed from the family composition and the family's subsidy standard will be reduced accordingly.
 - (3) If the agency indicates that it is unknown whether the children will be returned to the home, the children will remain a part of the family composition.

Oral conversations with the social service agency must be thoroughly documented in the family file, including the date of contact, name and title of contact person, name of agency and telephone number and the details of the conversations.

- b. Absence of Single parent; use of caretaker adult. When a single parent leaves the household for an extended period as a result of imprisonment, hospitalization, military service, etc., and another adult moves into the home to care for the children, the rental assistance will not be terminated. The family composition will be modified to include the name of the caretaker as head of household. The caretaker's income will not be included in the family income. The single parent's name shall be temporarily removed and the file documented to explain the circumstances. When the parent returns to the unit, the caretaker may leave or remain in the household. If the caretaker remains, his/her income will be included in the calculation of family income. In addition, the caretaker will be responsible for obtaining the owner's/landlord's approval.
- c. Absence of head of household, spouse or co-head due to military service or school. If the head of household, spouse or co-head is absent from the home to serve in the military or attend school, the income will be included in the calculation of family income. However, income received as a result of special hazardous duty pay when exposed to hostile fire will not be included.
- d. Absence of other family member due to military service or school. If a family member other than the head of household, spouse or co-head is absent from the home to serve in the military or attend school, the family has the option of considering the person permanently absent (income not counted, not on lease, and

not counted for Voucher size) or temporarily absent (income counted, on lease, counted for Voucher size). Income received as a result of imminent danger pay when exposed to hostile fire will not be included.

- e. Absence due to hospitalization of sole family member. When the family consists of only one member and that person leaves the home to go into a hospital or nursing home for a period of more than six (6) months, the assistance will be terminated. If a medical source documents that the person is expected to return to the unit in 180 days or less, the person shall continue to receive assistance. If the person is not back in the unit within 180 days, assistance will be terminated.
- f. Absence of all household members. If all members of the household are absent for 180 cumulative days, but have not moved from the unit, assistance will be terminated. In order to determine if the family is absent from the unit, HHA may write letters to the family at the unit, telephone the family at the unit, interview the owner/landlord and neighbors, and/or verify if utilities are in service. In cases in which the family has moved from the unit, assistance will be terminated in accordance with the procedures set forth further in this Plan.
- g. Adult visitors. An adult may visit a unit for no more than fourteen (14) consecutive days per year. Adults exceeding this limit must be approved by HHA before being considered a family member and added to the lease.
- h. Child visitors. Children under the age of eighteen (18) may visit a unit for a maximum of (90) cumulative days per year without being considered part of the family, provided the family has the written permission of the owner/landlord.
- i. Joint custody of children. Children who are subject to a joint custody agreement but live in the unit at least fifty-one percent (51%) of the time will be considered members of the household. If the family includes a child who is temporarily absent from the home due to foster care, the standards in paragraph number “a” above will be used.

2. Earned Income

Earnings anticipated to be received in the twelve (12) months following the effective date of the certification will be annualized. To annualize income, HHA will multiply:

- Hourly income by the number of hours worked in a year;
- Weekly income by 52 weeks, unless it is verified that less weeks will be worked;
- Bi-weekly income by 26 pay-periods;
- Semi-monthly by 24 pay-periods;
- Monthly by 12 pay-periods

Where income is seasonal or fluctuates as to hours or rates, such as for teachers, construction workers, farmers or migrant workers, HHA will use an average for (12)

months based on past income history of the family and such anticipated income that can be verified.

3. Temporary or Sporadic Income

Temporary or sporadic income is not counted in determination of annual income. Employment lasting less than (30) days will be considered temporary. Sporadic income includes amounts that are neither reliable nor periodic.

4. Cyclical or Seasonal Work

When income varies due to cyclical or seasonal work, and the source of income has not changed from the previous year, HHA may rely on the previous year's income to anticipate income for the coming year. Increases in pay rate over that of the previous year would be considered.

When anticipated income cannot be determined for a full twelve (12) month period, HHA will annualize current income and conduct an interim reexamination when income changes.

5. Net Income From Business or from Self-Employment

The net income from the operation of a business or self-employment is counted as income. Net income is the amount of business income received less expenses incurred. Deductions from business income can include business vehicle expenses, supplies and materials, staff salary and benefits, depreciation of assets. Any withdrawals of cash from the business will be considered income unless the withdrawal is reimbursements of cash or assets invested in the operation by the family. Expenditures for expansion or amortization of capital indebtedness are not used as deductions from income.

Business expansion includes substantially increasing the size of the business or branching out into adjacent areas that are not part of the original operation. Straight-line depreciation of assets is an allowable expense and can be verified through examination of the income tax forms filed for the business or financial statement. Similarly, the accounting records and financial statements can be used to determine the cash or assets invested in the business. This information can be used to determine whether or not a withdrawal is a reimbursement of investments in the business. If a business is co-owned by someone outside the household, financial statements and income tax returns can provide information to determine the level of net income to be attributed to the family from part ownership of the business.

6. Regular Contributions and Gifts

Regular contributions and gifts received from persons outside the household are counted as income for Total Family Contribution calculation purposes. This includes rent and utility payments paid 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.

For zero income families, HHA may interview the tenant and review days, his or her current bills and receipts every thirty (30) to determine the amounts paid for known household expenses and the sources of regular income, including in-kind contributions. This will be determined via a zero income questionnaire.

Third-party verification of income from regular contributions and gifts will be obtained whenever possible. If the party providing regular contributions refused to verify the information, HHA will document the file. In this case, the head of household or member receiving the income will be asked to complete a Declaration of Regular Contributions.

7. Financial Assistance to Single Eligible Student of Higher Education

Financial assistance included in annual income is any financial assistance a student receives in excess of tuition (e.g., athletic and academic scholarships) and the student receives (1) under the Higher Education Act, (2) from private sources (3) from an institution of higher education as defined by the Higher Education Act of 1965.

Treatment of financial assistance received by an eligible student of higher education is included as follows:

Eligible single student, age 23 or younger, not a veteran, no dependent child (meets requirements of 24 CFR 5.612); the PHA shall count as income all financial assistance in excess of tuition (except student loans).

The PHA will exclude all student financial assistance in determining income for the following:

- Eligible single student, over age 23 with dependent child
- Eligible single student, age 24 or older
- Student of higher education (regardless of age), living in parental household

8. Alimony and Child Support

Alimony and child support payments received are counted as income for Tenant Rent calculation purposes.

In the determination of Child Support payment income, the Agency will use the amount awarded by the Court. If the applicant/participant verifies they are not receiving the

Court awarded amount, the Agency will use the past years Child Support payment history to anticipate the income for the next Re-Examination period.

In the event a decrease in Child Support payment income is expected for more than thirty (30) days, the Agency will process an Interim Re-Examination based on current income. If, at a later date, it is verified that more Child Support income was received than reported at the Interim Re-Examination, retroactive rent will be calculated based on actual amount received. The participant will be required to repay the under reported amount in full or enter into a repayment agreement.

9. Lump Sum Payments

Lump-sum payments received due to delayed start of periodic payment (e.g. TANF, unemployment, or child support) except Social Security and Supplement Security Income benefits (which are not counted as income), whether due to disputes or processing problems, are counted as income in the following manner:

- a. If the lump sum amount is reported within thirty (30) days of the date it was received, the lump sum amount will not be taken into account prior to the next recertification. If, at the next annual recertification, the lump sum amount has been converted to an asset ((i.e. placed in a savings account or invested) it will be treated like any other asset.
- b. If the lump sum is not reported within thirty (30) days, the increased income will be handled retroactively by adding the income to the annual income that was in effect when the payment was received, as long as the date is not prior to program participation. The Total Family Contribution will be recalculated and compared to the previous Total Family Contribution. The family has the choice of paying this “retroactive” rent to HHA in a lump sum or entering into a Repayment Agreement with HHA. The family officially owes this money to HHA whether or not the family chooses to continue its participation in the Section 8 Program.

Attorney fees may be deducted from lump-sum payments when the services were necessary to recover the lump-sum settlement and when the recovery does not include additional monies to pay the attorney fees.

Social Security and Supplemental Security Income benefits that are received in a lump sum or prospective monthly amounts are excluded from annual income. The lump sum may be treated as an asset.

10. Income From Assets

- a. Assets Valued Under \$5,000

When assets owned by any family member (including minors) have a combined cash value of less than \$5,000, actual income received from the asset(s) is counted

as income. An example is a checking or savings account. In determining value of checking accounts, HHA will use the lesser of the current balance or the average daily balance of the account for the most recent past three (3) months.

Anticipated interest will be determined by multiplying the value of the checking account by the annual interest rate.

b. Assets Valued Over \$5,000

When assets owned by any family member (including minors) have a combined cash value of more than \$5,000, the PHA will use the greater of actual income received from the asset (s) or imputed income using the HUD passbook rate.

c. Assets Disposed of for Less Than Fair Market Value

The PHA will count as an asset the difference between the market value and the actual amount received for assets disposed of for less than market value for two (2) years from date of disposition. An imputed income may be calculated if all assets total more than \$5,000.

d. Contributions to Retirement Funds

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

11. Military (Armed Forces) Pay

The Military Pay of the head of household, spouse or co-head is included in annual income. All regular pay, special pay and allowances of member of the military will be included in income. **Exception:** Special hazardous duty pay for a family member exposed to hostile fire is excluded.

12. Public Assistance

Public assistance includes:

- Temporary Assistance to Needy Families (TANF);
- General Assistance

Special calculations must be made for benefits received in “as paid” state or local programs

“As paid” programs are those in which the family receives a specific amount for shelter and utilities and the amount is adjusted based upon the actual amount the family pays for shelter and utilities.

In “as paid” programs, the amount of welfare assistance income shall consist of:

- The amount of the grant exclusive of the amount specifically designated for shelter and utilities; plus
- The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family’s welfare assistance is reduced from the standard of need by applying a percentage, the amount counted as income is the actual amount received.

13. Imputed Welfare Income

HHA will not reduce a family’s contribution rent if the family’s welfare benefits were reduced due to:

- a. Welfare fraud; or
- b. Failure to fulfill the Welfare Department’s economic self-sufficiency or work requirement.

Imputed Welfare income must be calculated if the Welfare Agency verifies in writing that a family has been sanctioned for one of the two reasons listed above. Under these circumstances, HHA will not reduce the total tenant payment for the family. The amount of the sanction in welfare benefits is identified as imputed welfare income. The amount of the imputed welfare income plus other income received by the family is used to calculate the total tenant payment.

When new income added to the household exceeds the imputed welfare income, the imputed welfare income is no longer considered in the determination of annual income.

The family will be offered an opportunity for an informal hearing. HHA will determine through third-party written verification why the benefits were reduced or suspended before adjusting the income and rent. If welfare benefits expired and program requirements were met, the family income will be reduced to determine rent.

14. Payments in Lieu of Earnings

When payments in lieu of earnings cannot be anticipated for the twelve (12) months following examination, annualize the payments in lieu of earnings and conduct an interim recertification when income changes. Examples of payments in lieu of earnings may include:

- Unemployment;
- Disability payment ((unless it is a lump sum payment);
- Workers’ Compensation (unless it is a lump sum payment);
- Severance Pay (unless it is a lump sum payment);

Lump-sum health and accident insurance payments and Workers' compensation are not counted as income.

15. Periodic Payments and Allowances

The full amount of periodic amounts received from:

- Social Security
- Supplemental Security Income
- Annuities
- Insurance Policies
- Retirement Funds
- Pensions
- Disability or Death Benefits
- Alimony or Spousal Support
- Child Support
- Other Types of Period Receipts

The withdrawal of cash from an investment that is received as periodic payments (i.e. 401K, IRA) should be counted as income unless the family can document and the PHA verifies that amounts withdrawn are reimbursement of amounts invested. When a family makes a withdrawal from an account in which it has made an investment (such as an annuity or IRA) the withdrawals count as income only after the amounts invested has been totally paid out.

If benefits (such as Social Security or Veterans benefits) are reduced due to a prior overpayment, use the actual amount of the current allocation (before withholding for medical premiums).

If benefits are reduced due to other withholding, such as an IRS garnishment or child support garnishment, use the full award amount.

16. Income of Dependents

A dependent is a family member who is under 18 years of age, is disabled (regardless of age), or is a full-time student (regardless of age).

The head of household, spouse or co-head, foster-child, or live-in aide are never dependents.

Benefits and non-earned income of minors is counted in determining annual income. Earned income of minors is not counted.

Count only the first \$480 of earned income of full-time students age 18 and older who are not the head of household, spouse or co-head.

Count all non-earned income of full-time students except for financial assistance of dependent students of higher education.

Count all income (earned and non-earned) of the head of household, spouse or co-head, even if he/she is a full-time student or a minor.

17. Income of a Live-In Aide

The income of a live-in aide is excluded from income provided that the person meets the live-in aide criteria established by HUD.

A live-in aide is a person who resided with one or more elderly or near elderly persons or persons with a disability and who:

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

This definition does not automatically exclude relatives. Husbands or wives for example may provide attendant caring for spouses would not have their income excluded since they would be living in the unit and are legally responsible for support. An adult son, daughter or other relative would have their income excluded if they can demonstrate that they otherwise would be living elsewhere. Verification would involve a determination regarding whether the person previously lived outside the unit and moved back solely to take care of the family member and has not resided in the unit for at least six (6) months.

Verification of need for live-in aide services should be obtained from qualified medical, health or social services/rehabilitation specialists. Verification of legal requirement for support includes marriage certificates, court ordered guardianship, or other legal documents requiring the attendant to be legally responsible for support of the person they care for. HHA would have to verify residency of the attendant as being elsewhere through prior landlords, rental agreements or leases, rental receipts, utility bills in the attendant's name for another address, driver's license or other government issued ID, etc.

Live-in aides are not remaining members of a resident family and must vacate the unit if the person they care for vacates. Also, live-in attendants should have their own bedroom and may have family members live with them provided that HUD will not increase the subsidy by the cost of additional bedrooms and the presence of the live-in aide's family does not cause over-crowding.

C. Averaging Income

There are two ways to calculate income when the income cannot reasonable be anticipated for a full year:

1. Annualize current income (and subsequently conduct an interim reexamination if income changes); or
2. Average known sources of variable income to estimate an annual income (no interim adjustment is required if income remains predicted).

Income from the previous year may be analyzed to determine the amount of anticipated income when future income cannot be clearly verified. If, by averaging, a reasonable estimate can be made, that estimate will be used to anticipate annual income over the next twelve (12) months, instead of changing the HAP every month as the income fluctuates.

D. Federally Mandated Income Exclusions

Some amounts are prohibited from being included in a family's income for rent determination purposes. These amounts, called exclusions, are not part of Annual Income.

Excluded income is reported on form HUD -50058.

HHA must obtain verification for income exclusion if, without that verification, HHA would not be able to determine whether or not the income is to be excluded from Annual Income. Depending on the circumstances, any, or all of the following may need to be verified:

- Source of excluded income;
 - Circumstances that qualify a family member's income to be excluded;
 - The amount of the exclusion.
1. Wages of Family Members Under Age 18

The full amount of income from employment of children (including foster children) under the age of 18 (excluding head of household, spouse or co-head).
 2. Earnings in Excess of \$480 for Full-Time Students over Age 18 (except Head of Household, spouse or co-head).

The first \$480 of earned income of each full-time student 18 years old or older (excluding Head of Household, spouse or co-head) is counted in calculation of Annual Income.
 3. Refunds or Rebates of Property Tax on Home

Amounts received by a family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit are excluded in the calculation of Annual Income.

4. Payments for Student Financial Assistance Paid Directly to the Student or Education Institution

The full amount of financial assistance, including grants, scholarships, educational entitlements, work-study programs and financial aid packages are excluded in the calculation of Annual Income.

5. Lump-Sum Additions to Family Assets

Lump-sum additions to family assets, such as inheritances, health and accident insurance, worker's compensation, capital gains and settlements for personal or property losses are excluded in the calculation of Annual Income.

6. Lump-Sum Payments of Deferred Benefits

Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded in the calculation of Annual Income.

7. Amounts Set Aside for Use Under PASS

Amounts received by a person with a disability that are disregarded for a limited time for purposes of SSI eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) are excluded in the calculation of Annual Income.

8. Temporary, Non-Recurring, Sporadic Income

Temporary, non-recurring or sporadic income (including gifts) is excluded in the calculation of Annual Income.

Sporadic income is that which is not of a regular nature and which cannot be counted on continuing.

9. Medical Expenses

Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member are excluded in the calculation of Annual Income.

10. Income of Live-In Aides
All income of a live-in aide is excluded in determining annual income
11. Adoption Assistance Payments in Excess of \$480 per Child
Count as Annual Income the first \$480 per child of adoption assistance payments.
12. Payments to Keep Developmentally Disabled Family Members at Home
An amount paid by a State or Local Agency to a family with a member who has a developmental disability living at home is excluded in the calculation of Annual Income.
13. Payments Received for the Care of Foster Children or Adults
Payments received for the care of foster children or foster adults are excluded in the calculation of Annual Income. Foster Adults are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone.
14. Armed Forces Hostile Fire Pay
The special pay to a family member serving in the Armed Forces who is exposed to hostile fire is excluded in the calculation of Annual Income. All other pay to household members who are serving in the Armed Forces is included in income.
15. Foreign Government Reparation Payments
Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era are excluded in the calculation of Annual Income.
16. Earnings and Benefits from Employment Training Programs Funded by HUD
Training programs funded by HUD will have goals and objectives. This is not to be confused with employment by the PHA.
17. Incremental Earnings and Benefits from Participation in Qualifying State and Local Employment Programs.
Incremental earnings and benefits received by any family member from participation in qualifying State or Local employment training program (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded in the calculation of Annual Income.

A qualified training program is one that is part of a State or Local employment-training program and has clear goals and objectives. This would include programs that have the goal of assisting participants in obtaining employment skills and are authorized or funded by Federal, State or Local law, or operated by a public agency. These include programs through Department of Labor, Employment Training Administration and Welfare-To-Work Grants.

Amounts excluded by this provision are excluded only for the period during which the family member participates in the employment-training program.

18. Reimbursement for Out of Pocket Expenses While Attending a Public Assisted Training Program

Amounts received by participants in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program are excluded in the calculation of Annual Income.

19. Resident Service Stipend not to Exceed \$200 per Month for Services to HHA

Amount received under a resident service stipend are excluded in the calculation of Annual Income

A resident service stipend is a modest amount, not to exceed \$200 per month, received by a resident for performing a service for HHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, ground maintenance, resident initiatives coordination and serving as a member of the HHA’s governing board.

No resident may receive more than one such stipend during the same period of time.

The Public Housing Reform Act provides the governing board of a PHA must generally contain at least one member who is directly assisted by HHA. To support and facilitate implementation of this new statutory requirement, HUD has clarified that the resident service stipend exclusion covers amounts received by residents who serve on HHA’s governing board.

20. The value of the allotment provided to an individual under the Food Stamp Act.

21. Payments to volunteers under the Domestic Volunteer Services Act which includes, but is not limited to:

- RSVP;

- Foster Grandparents;
 - Senior Companion Program;
 - VISTA;
 - Peace Corps;
 - Service Learning Program;
 - Special Volunteer Programs;
 - Small Business Administration programs such as National Volunteer Program to Assist Small Business and Promote Volunteer Service to Persons with Business Experience;
 - Service Corps of Retired Executives (SCORE);
 - Active Corps of Executives.
22. The first \$2,000 of payments received under the Alaska Native Claims Settlement Act.
23. Income derived from certain sub-marginal land of the U.S. that is held in trust for certain Indian tribes.
24. Payments or allowances under Department of Health and Human Services Low-Income Home Energy Assistance Program (LIHEAP)
25. Payments received under programs funded in whole or in part under the Job Training Partnership Act, now known as Workforce Investment Act.
26. Income derived from the disposition of funds of the Grand River Bank of the Ottawa Indians.
27. The first \$2,000 of per capita shares from judgment funds awarded by the Indian Claims Commission or the Court of claims or from funds held in trust for an Indian tribe by the Secretary of the Interior.
28. The full amount of Federal scholarships funded under Title IV of the Higher Education Act of 1965, including awards under Federal Work study programs or under the Bureau of Indian Affairs student assistance program.
29. Payments received from programs funded under Title V of the Older Americans Act of 1965 which includes, but is not limited to:
- Senior Community Services Employment Program;
 - National Caucus Center on the Black Aged;
 - National Urban League;
 - Association National Pro Personas Mayors;
 - National Council on Senior Citizens;
 - Green Thumb

30. Payments received on or after January 1, 1989 from the Agent Orange Settlement Fund or any fund established pursuant to the settlement in the Agent Orange product liability legislation.
31. Payments received under the Maine Indian Claims Settle Act of 1980.
32. Child care arranged for or provided under the Child Care and Developmental Block Grant Act or any amount received for such care or reimbursement for costs incurred in such care.
33. Federal and State Earned Income Tax Credit refund payment.
34. Payments by the Indian Claims Commission to the Confederate Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation.
35. The first \$2,000 of income received by an individual Indian derived from interests or trusts or restricted land.
36. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990.
37. Any allowance paid under provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam Veteran.
38. Any amount of crime victim compensation that the applicant (under the Victims of Crime Act) receives through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant.
39. Amounts earned by temporary Census employees for determining income in the Department's assisted housing programs. Terms of employment may not exceed 180 days for the purposes of the exclusion.
40. All student financial assistance for:
 - Eligible single student, over age 23 with dependent child
 - Eligible single student, age 24 or older
 - Student of higher education (regardless), living in parental household

E. Self-Sufficiency Incentive For Persons With Disabilities (Earned Income Disallowance)

1. This disallowance of an increase in earned income only applies to families currently receiving housing assistance. In order to qualify the family is one:

- a. 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; or
- b. 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
- c. 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 (6) months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act. The TANF program included formula-driven maintenance assistance and such benefits and services as one-time payments; wage subsidies and transportation assistance provided that the total amount over a six (6) month period is at least \$500.
- d. Previously unemployed includes a person with disabilities who has earned, in the twelve (12) months previous to employment, no more than would be received for ten (10) hours a week for fifty (50) hours per year at one established minimum wage.

Note: Receipt of Food Stamps and/or Medicaid is not part of the TANF program. If no TANF assistance is provided as listed above, the family will not qualify for the earned income disallowance under TANF provisions but may qualify under the remaining criteria. The PHA will verify receipt of benefit or services other than monthly maintenance with the TANF provided if the family indicates that their eligibility for the earned income disallowance is based on other assistance under TANF.

Incremental increases in earned income are excluded fully for the first twelve (12) month period and 50% excluded for the second twelve (12) month period. The HHA will maintain a log for each individual showing, if applicable, earning and benefits from qualified training programs, incremental earnings from increased employment for the first twelve (12) month period and the second twelve (12) month period. Since the total window of opportunity for the earned income disallowance extends over forty-eight (48) months, the log will adequately reflect all periods of employment and non-employment, to assure the family member receives the benefit of each full twelve (12) month period.

2. The disallowance of increase in earned income will be calculated as follows:
 - a. During the cumulative twelve (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, HHA must exclude from annual income, of a

qualified family, any increase in income of the disabled family member as a result of employment, over prior income of that family member.

Example: The disabled family member receives SSI of \$500 per month. The disabled family member starts a job as a greeter at a local retail store for \$5.00 an hour, 20 hours per week. Assume for this example the SSI remains the same.

The first 12 months the income is as follows:

SSI: \$500 x 12 = \$6,000
 Work: \$5.00/hr x 20 hrs x 52 weeks = \$5,200*
 \$6,000 Gross Annual Income

*this amount is excluded for 12 months

- b. Phase-In Period. During the second cumulative twelve (12) month period after the date a family 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 PHA must exclude from the annual income of a qualified family member fifty percent (50%) of any increase in income of such family member as a result of employment over income of the family member prior to the beginning of such employment.

The second 12 months the income is as follows:

SSI: \$550 x 12 = \$6,600
 Work: \$5.50/hr x 25 hrs x 52 weeks = \$7,150
 Excluded 50% - \$3,575
 \$10,175 Gross Annual Income

- c. Maximum four-year disallowance. The disallowance of increased earned income of an individual family member, who is a person with disabilities as provided in a. and b. above, is limited to a lifetime forty-eight (48) month period. The disallowance applies for a cumulative twelve (12) month period for the fifty percent (50%) exclusion for the second (12) month period.
- d. This exclusion does not apply to admissions.

Because only a person with disabilities is eligible for the earned income disallowance under the Housing Choice Voucher Program, HHA will discontinue the allowance for a qualifying person with disabilities who is no longer considered disabled at their next regularly scheduled recertification. A decision regarding “no longer disabled” will be verified through the Social Security Administration for SSI and SDI recipients or from a medical, health, or rehabilitation professional for those not receiving publicly funded benefits.

F. Assets

HHA will determine the net cash value of each asset by deducting reasonable costs that would be incurred to convert the asset to cash from the market or face value of the asset.

Reasonable costs include, but are not limited to: penalties for early withdrawal of funds from CD's, Money Market accounts, IRA's, Annuities, etc.; the cost basis plus commissions and fees for stocks, bonds and other capital investments; appraisal fees, realtor commissions, closing costs, repair costs, if applicable, for real property; penalty fees for early withdrawal of IRA's, pensions and annuities.

If assets are held jointly in an "and" or an "or" account, the full value of the asset less any reasonable costs will be counted unless the family member can demonstrate that their access to the account is legally restricted. The HHA must be able to verify the restriction.

Necessary items of personal property are not counted as assets. These include but are not limited to: clothing; furniture, personal automobiles, computers and related equipment for personal but not business use.

Assets include, but are not limited to trusts (only if a family member has access or control of the trust), joint accounts, investments, CDs IRAs, Keogh, real or personal property or other annuities to which the family member has access even if penalties would be imposed for early withdrawal.

In determining the net cash value of assets, HHA will treat assets as follows:

1. Trusts

Principal from a trust is not counted as an asset if the trust is not revocable by, or under the control of, any member of the family, so long as the fund continues to be held in trust. Any distributions are considered to be part of annual income. A lump sum distribution in total or in part will be added to all other income and divided by twelve (12) to obtain the gross monthly income. Verification of trust provisions should be contained in the original trust documents. If the documents cannot be obtained, verification should be obtained from the trustee (an individual or financial institution).

If a family sets up an irrevocable trust for the benefit of another person outside of the household, HHA must determine whether or not the value of the trust is less than the fair market value of the assets contained therein had the family retained the asset. If this is the case, the fair market value less reasonable costs must be determined and the net value of the asset included in total assets. Any income the family receives from this trust will be included in annual income. Nominal amounts set aside in trust for or donated to charitable organizations up to \$1,000 will not be considered assets disposed of for less than fair market value.

2. Joint Ownership

For joint ownership of assets, HHA must determine the percentage of ownership attributable to the family member. Documents that may provide this information include deeds, tax returns, ownership papers and financial institution records. These types of documents should, if applicable to the asset, describe whether the family member has full or restricted access to the asset. If restricted, HHA will use only that portion of the asset available to the family member.

3. Investments

The family must maintain the original copies of receipts for purchases of stocks, bonds, etc. Another source is original periodic statements from brokers that reflect the cost basis of any investment holding which are liquidated. This information will provide the basis for determining reimbursement for amounts invested.

4. Retirement Benefits (CDs, IRAs, Keogh)

Retirement/pension accounts, while the household member is employed, are counted as assets only if there is access to cash from the account while employed. Similarly, if funds are held in the account with the principal restricted from access, only distributions from the fund are counted as income.

5. Checking and Savings Accounts

Checking and savings accounts are also considered as assets. The total amount in savings will be considered an asset unless the account is specifically designated under a plan for self-sufficiency for a person with a disability under Social Security Administration guidelines. Checking accounts are also assets under HUD guidelines; however, since most checking accounts are used primarily as a pass-through for receipt of income and payment of monthly household expenses, only the amount in the checking account in excess of \$1,000 will be considered to be an asset. HHA may grant an exception to this threshold if the family states and HHA can verify that regular household expenses such as rent, utilities, food, etc., exceed that threshold. Verification of these accounts will be made first, from a bank verification form completed by the bank. If the bank charges either the resident or HHA more than \$5.00 per Bank Statement, HHA will use bank statements and passbooks. Bank statements for at least six (6) consecutive months will be requested for verification of balances in checking accounts. For threshold exceptions, original billings, rental receipts and related documents will be required.

Note: The interest from an interest bearing checking account is considered an asset.

6. Annuities

Annuities may provide for either fixed or variable payment. For variable payments, HHA will evaluate historical information to determine the approximate anticipated payment amount for the next twelve (12) month period. This annualized income may be adjusted based on significant changes from the anticipated income. The holder of an annuity may withdraw the funds at any time before maturity but will pay a penalty for early withdrawal. Verification of the penalty amount may be obtained from the company holding the annuity and should be deducted from the total distribution before determining asset or income amounts. Monthly or periodic regular annuity payments are counted as income while the principal of the annuity remains an asset until fully liquidated. Verification of any annuity expenses will be obtained from the annuity provider.

7. Net Cash Value of Assets Disposed of for Less Than Fair Market Value for Two (2) Years from Date of Disposition

Reasonable costs include, but are not limited to: penalties for early withdrawal of funds from CD's, Money Market accounts, IRAs, Annuities, etc.; the cost basis plus commissions and fees for stocks, bonds and other capital investments; appraisal fees, realtor commissions, closing costs, repair costs, if applicable, for real property; penalty fees for early withdrawal of IRA's, pensions and annuities.

If assets are held jointly in an "an" or an "or" account, the full value of the asset less any reasonable costs will be counted unless the family member can demonstrate that their access to the account is legally restricted. HHA must be able to verify the restriction.

Necessary items of personal property are not counted as assets. These include but are not limited to: clothing; furniture, personal automobiles, computers and related equipment for personal but not business use.

8. Lump Sum Additions

Lump sum additions such as inheritances, insurance payments (including payments under health and accident insurance and Workers' Compensation, except those portions which are reimbursement for expenses paid out by the family or otherwise excluded by HUD regulation), capital gains and settlement for personal or property losses are counted as assets whether or not they are placed in savings or other investment vehicles. HHA will verify payments of inheritances through the executor; health, accident and Workers' Compensation payments through the provider; capital gains through the broker, original 1099's or tax returns, and settlements for personal or property losses through the insurer.

Lump sum payment of \$500 or less will not be included in the calculation of assets.

G. HUD Required Deductions

HUD has five (5) allowable deductions from annual income:

1. Dependent Allowance: \$480 each for family members (other than the head or spouse or co-head) who are minors (including children who are adopted), and for family members who are eighteen (18) and older who are full-time students or who are disabled (foster children foster adults, and children of live-in aides are not entitled this deduction).
2. Elderly/Disabled Allowance: \$400 per family for families whose head, spouse or co-head is 62 or over or disabled.
3. Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.

IRS publication 502 will be used as guidance where questions arise as to an item's eligibility. This publication provides a complete listing and description of allowable medical and dental expenses that can be included as medical deductions. Where an expense item can be treated as either a medical or a disability assistance expense HHA will calculate the expenses both ways and give the family the greater deduction.

HHA will advise all families at each certification/recertification that they may report any one-time non-recurring medical or disability expense cost and request an interim recertification.

HHA will include the following as a standard medical expense deduction when determining the family's medical expenses deduction:

- The amount of un-reimbursed out-of-pocket expenses for prescription drugs
- Any premiums incurred for a Medicare prescription drug plan.

Standard medical deduction is the sum of allowable medical deductions exceeding three (3%) percent of annual income.

4. Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the disabled person or another adult family member to work.

Disability assistance expenses are those reasonable expenses that are anticipated during the period for which annual income is computer for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable

a family member (including the disabled family member) to be employed. These expenses may not be paid to a member of the family nor reimbursed by an outside source.

HHA must determine what is “reasonable” based on local conditions and costs as well as whether the expenses are directly linked to enabling the family member to work. Reasonable attendant care costs for the locality should be verified through a local social services agency which handles attendant care needs or an Independent Living Center that assists families in matching attendants with disabled clients. In determining the reasonable cost for equipment, special apparatus or accessibility modifications, the family should provide estimates of costs for HHA’s use in evaluating what is “reasonable”.

Attendant care includes the actual cost of providing an attendant to care for a disabled person either in the home or in the work place based on local standards for hourly pay or salary. Equipment may include but not limited to providing a wheelchair (manual or electric) to allow the disabled individual the mobility to go from home to place of employment or to facilitate care in the home, ramps to provide access to and from the unit, modifications to a vehicle or special equipment to enable a blind individual to read or type, but only if this enables the disabled person or other family member to work, any other type of special equipment needed for mobility if the use thereof is demonstrated to be employment related for the disabled person or another family member. The amount allowed is limited to the amount that exceeds 3% of gross family income and does not exceed the amount earned as a result of the expense.

HHA must be able to verify that there is a direct link between the disability assistance expenses claimed by the family and a family member (including the disabled family member) going to work. This will generally involve determining whether the employed family member was previously employed.

If more than one family member is enabled to work as a result of the incurring of disability assistance expenses, HHA will verify the employment and combine the incomes of all working family members to establish the cap by which the expenditures are limited.

In some cases, purchased equipment, a computer with adaptation devices for the disabled individual, for example, will not be used exclusively for employment purposes. In such case, HHA will require the family to certify as to the percentage of the time the equipment is used strictly for employment purposes and prorate the expense.

Example: A computer is purchased for the home and is used by the disabled person to perform medical billing or transcription. The disabled person certifies that 60% of the computer use is strictly related to the employment and 40% for other personal use. The cost of the computer, peripheral equipment (printer,

software, etc.) and special adaptive devices is verified by original invoices and receipts to be \$2,400. The PHA would allow \$1,440 as the disability assistance expense deduction provided that the income from the employment use of the equipment exceeds the expense cap.

If both childcare and disability expenses are needed to enable a person to work, HHA will use the same employment income to justify the childcare allowance and the disability assistance allowance.

5. Childcare Expenses: Deducted for the care of children, including foster children, under thirteen (13) years of age when childcare is necessary to allow an adult member to work, attend school, or actively seek employment.

The following standards are the criteria for allowing childcare expenses as a deduction:

- a. Childcare to work: The maximum childcare allowed would be based on the amount earned by the person enabled to work. The “person enabled to work” is the adult member of the household who earns the least amount of income from employment. The childcare deduction may not exceed the amount of income earned by the person enabled to work.
- b. Childcare for school: HHA will compare the number of hours the family member is attending school and base the reasonableness standard on the number of hours that the family is attending school (with the addition of one hour travel time to and from school) versus the number of hours claimed for childcare. The number of hours for which the childcare deduction is allowed shall **not** exceed the school and travel time.
- c. Childcare to seek employment: The deduction for childcare to seek employment must **not** exceed the Annual Adjusted Income of the family member seeking employment. The deduction does not include transportation costs, or other expenses incurred, and is limited to one year per individual.

To claim the deduction, verification from the childcare provider must include the name, address and telephone number of the company or individual childcare provider, the names of the children being cared for, the number of hours for which childcare is provided, the rate of pay and the typical yearly amount paid (taking into account school and vacation periods).

Verification from the job seeker must include documentation from an employment service agency and/or written verifications of interviews from potential employers.

Childcare expenses must be “reasonable” and may not exceed the amount of employment income that is included in annual income. HHA will make a determination as to what is a reasonable rate for childcare based on local conditions and rates. Harrisburg Housing Authority will obtain information from the social services agency that certifies childcare providers, day care centers, federally funded after school programs, etc., and determine a scale of reasonable costs. If it is determined that there is a significant difference between in-home care and day care center charges, HHA will develop a separate scale for each.

If the family has school age children who require care only before and/or after school hours, HHA will consider payment for before and/or after school activities to be a reasonable expense in lieu of individual childcare.

At annual certification HHA will determine the total anticipated childcare expense for the employed family members (including increases for care needed during school breaks and summer vacations for school age children) and average the amount over twelve (12) months. Should there be a significant variation from the estimated amount the family may request an interim adjustment.

If childcare is required to allow one or more family members to be employed, the amount of the childcare expense may not exceed the total of earned income received by all family members. The amount of childcare expenditure must be reasonable if the purpose of the childcare is to allow a family member to actively seek employment or to further his or her education

To qualify for childcare deductions under the provision of actively seeking employment, the family member may be a participant in an official job search program or may simply demonstrate independent job search activities. In either case, in order to verify the time spent in seeking employment, the PHA will require the family to maintain a log that reflects the following:

- The date and time of departure from home (including time needed to drop off children for childcare, if provided outside the home);
- The name and location of the prospective employer, unemployment office or employment agency;
- The name of the person(s) contacted and telephone number;
- The length of time for completion of the application, the interview, testing or other job search activity;
- The time the children are picked up and the time arrived at home;
- The name, address, telephone number and social security number of the childcare provider;
- The total amount paid for the childcare.

If multiple applications or interviews are held consecutively or on the same day, the above information should be provided for each prospective employer or agency. The housing authority will use this information to verify the contacts and the eligibility of

childcare expenses. Since job search activities may be irregular and not easily anticipated, HHA may attempt a limited inclusion at the annual certification and conduct an interim examination after some actual expenditures have been incurred. In many instances, job search periods will be of limited duration, but in some cases the job search period may be extended, especially if the type of employment sought is limited in availability, employment opportunities of any kind are scarce or the job skills needed are unusual.

To qualify for childcare deductions under the provision of furthering education, the family member must demonstrate that they are enrolled in some accredited or approved educational or training program. While the type of educational effort may vary widely and be either full-time or part-time, evidence of regular participation will be required and verified by HHA. Furthering education can include but is not limited to; completing high school or equivalency (GED), trade school, Community or Junior College, four-year College, technical schools, ESL or basic education classes, apprenticeship programs, certificate programs, clerical school and even independent study, if the family member must access on-line educational program out of the home. The family member must provide and HHA verifies information on the type of educational program, the number of units or hours of participation, and the name of the educational institution or training facility. HHA will allow childcare expense coverage to include pick-up and drop-off of children at the provider's location. HHA will also evaluate expenses which may exceed the norm if childcare must be provided evenings, nights or weekends for either educational or employment purposes.

HHA will review the work hours or educational hours to assure that the combined employment or education hours plus pick-up/drop-off times are within a reasonable timeframe (generally determined to be no more than one hour before or after scheduled work hours or class times). Exceptions may be made for overtime, special seminars or testing, providing the housing authority can verify the extended times.

Childcare expenses may be divided between two households in cases of split custody. If only one custodian is an assisted family, the cost of childcare will be pro-rated based on the percentage paid by each custodial parent. The cap on eligibility for childcare expenses allowed by the assisted family would still be based on the earned income limitation.

One or more family members can engage in qualifying activities for childcare purposes as long as the limitations of reasonable expenses for job search and education and expenses not exceeding earned income for employment are applied.

The deduction for childcare is not given if an agency or person outside the household reimburses the expenses.

H. Minimum Rent

HHA established a minimum rent for Section 8 Program participants as \$50.

All participating families will contribute the highest of thirty percent (30%) of monthly adjusted income, ten percent (10%) of monthly gross income or a \$50 minimum rent toward the rent plus any rent above the applicable Payment Standard.

1. The minimum rent requirement may be waived under certain circumstances. Financial hardship status is to be granted immediately for ninety (90) days in the event of the following:
 - a. The family has lost eligibility or is awaiting an eligibility determination to receive federal, state, or local assistance, including a family having a non-citizen household member lawfully admitted for permanent residence and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996;
 - b. The family income has decreased due to changed circumstances such as separation, divorce, and abandonment;
 - c. One or more family members have lost employment;
 - d. The family would be evicted as a result of imposing the minimum rent requirement.
 - e. There has been a death in the family; or
 - f. There are other hardship situations determined by HHA on a case-by-case basis, i.e. alimony, child support, etc.

Financial hardship exemption only applies to payment of minimum rent – not to rent based on the formula for determining the Total Family Contribution (TFC).

2. If a tenant initiates a request for a hardship exemption that the PHA determines is temporary in nature:
 - a. If the hardship is determined to be temporary, minimum rent may be suspended; during the ninety (90) day period beginning on the day the request is made. At the end of the ninety (90) day period, the minimum rent is reinstated retroactively to the date of suspension and the HAP is again adjusted.
 - b. In the case of temporary hardship, HHA will allow the family a maximum of six (6) months to make payment of any delinquent minimum rent payments accrued during the suspension period. However, the family must execute a Repayment Agreement.
 - c. If the hardship is subsequently determined to be long-term, HHA will retroactively exempt residents from the minimum rent requirement for the ninety (90) day-period.

- d. Note HHA can only suspend the minimum rent contribution. If the family is residing in a unit whose Gross Rent exceeds the Payment Standard, the family will be responsible for the excess rent.
- 3. Hardship determinations are subject to HHA’s Informal Hearing Process and families are exempt from any escrow deposit that may be required under regulations governing the hearing process for other determinations.

I. Prorated Assistance For “Mixed” Families

1. Applicability

Prorated 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 a participant on June 19, 1995 and do not qualify for continued assistance must be offered prorated assistance. Mixed family applicants are entitled to prorated assistance. Families that become mixed after June 19, 1995 by addition of an ineligible member are entitled to prorated assistance.

2. Prorated Assistance Calculation

Prorated assistance is calculated by determining the amount of assistance payable if all family members were eligible and multiplying by the percent of the family members who actually are eligible. Total Family Contribution is the gross rent minus the prorated assistance.

3. Family Moves

If a family requests to move out of the current unit to another unit and is eligible for continue assistance, the family will be issued a Housing Choice Voucher and will be subject to the new rent calculation and to the forty percent (40%) rent burden restriction.

J. Rent Burden

1. Initial Rent Burden

The Rent Burden is the family’s payment to the owner/landlord plus utility allowance. This total figure should be equal to or less than forty (40%) of the family’s monthly adjusted income.

New admissions to the Housing Choice Voucher Program and continuing program participants who move to a new unit will not be allowed to pay more

than forty percent (40%) of adjusted income for rent. If the rent burden of the selected unit is over forty percent (40%), the new admission family, *or* participant who is moving, will be advised to seek a lower price unit.

2. Family Moves

If a family requests to move out of the current unit to another unit and is eligible for continued assistance, the family will be issued a Housing Choice Voucher and will be subject to the new rent calculation and to the forty percent (40%) rent burden restriction.

3. Owner/Landlord Increases in Rent

If an owner/landlord submits notice of an increase in rent for a contracted unit, and the resulting Tenant Rent exceeds forty percent (40%) of the family's adjusted income, the family has the option to remain in the unit and pay the additional costs. The family may also submit a Notice to Move to the owner/landlord and request a Housing Choice Voucher to move to another unit.

K. Zero Income Families

Families reporting no family income will be asked at application and recertification how the family pays for necessary living expenses. If it is determined that the family is receiving regular monetary or non-monetary contributions and/or gifts from non-household members, the value of these gifts will be annualized to estimate income.

If it is determined that the family receives no income from gifts, contributions, or any other source, the family will be required to complete, sign and date a statement of zero family income. Such families will be required to maintain all receipts for any expenses (e.g., food and clothing, utility bills) for the most recent three (3) months. This amount, excluding any food stamps or the PHA Utility Allowance payments, will be annualized to determine annual income. Zero income families will be reevaluated every thirty (30) days to determine if there are any new sources of income. The reevaluation may include an inquiry to the Department of Labor.

1. If a family reports that it does not have any income, all adult members will be required to sign a zero income affidavit and answer all questions on a zero income questionnaire and execute a temporary thirty (30) day recertification.
2. Family members 18-25 years of age who are attending school full-time may not be required to report income status every thirty (30) days.
3. Where outside sources are paying bills or donating household goods on a regular basis, the value of these contributions will be included as annual income.

L. **Utility Allowance and Utility Reimbursement Payments**

The utility allowance is intended to cover the cost of utilities ***not*** included in the rent. The allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. Allowances are ***not*** based on the family's actual energy consumption. Changes in the allowance will be effective at the beginning of the PHA's fiscal year.

HHA's Utility Allowance Schedule is set up according to bedroom size within three (3) climatic regions; Northern, Middle and Southern. All counties within the PHA's jurisdiction are situated in one of the regions according to general temperature and location. The family will be given the HUD approved utility allowance schedule for the region in which the subsidy is issued. The utility allowance schedule will include the allowances for all services for each type unit by bedroom size. When searching for a suitable unit, the family will be able to select the appropriate allowance and calculate the total utility allowance according to the unit selected and the utilities the family will be responsible for paying.

1. Utility Reimbursement Payments

Where families provide their own range and refrigerator, the PHA will provide an allowance for the range and refrigerator. Allowances for water, sewer and trash services are averaged the same as other utilities. Where the Utility Allowance exceeds the family's Total Family Contribution, HHA will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the tenant (or utility company of the tenant's choice if available).

2. Utility Allowance Survey

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

M. **Total Family Contribution Exceeds Gross Rent/Zero HAP Assistance**

Families whose Total Family Contribution exceeds the Gross Rent of the occupied unit may remain on the HHA's Section 8 Program for six (6) months from the effective date of the zero assistance. This will not be considered a break in continued assistance. The family may remain in the same unit and pay rent for six (6) months before being removed from the program. If the family's income decreases or the unit rent increases within the six (6) month period, the family will be reinstated into the program without applying to the waiting list.

At the end of six months, if the subsidy has not been restored, the HAP contract will terminate. The housing authority must provide the family and the owners at least 30 days advance notification of the proposed termination and an opportunity to request an informal hearing.

V. Verification Requirements

A. General Requirements

The verification requirements described in this section are applicable to initial screening for eligibility, initial certification, interim recertifications and annual recertifications.

HHA will use up-front or written third-party verification of all information whenever possible and the return envelope will be retained in the participant's file. Family-reported income will be verified via HUD's Enterprise Income Verification System for the following:

1. New Admission; within 120 days after admission
2. Annual reexamination
3. Interim reexamination

If there is a discrepancy between the family-reported income and the EIV family income report, HHA will follow the written third party verification hierarchy to verify the family's income.

At least two documented attempts to obtain Third-Party Verification should be made before the next level of verification is used. HHA will send verification forms in the mail along with a request that the form be returned by fax or mail. If up-front or third-party documentation is not available, the reason must be documented in the file.

While there is no regulatory limit on the acceptable age of verifications, PHA's historically use only verified information that is less than ninety (90) days old on the effective date of admission or recertification. Verified information obtained after application intake that is less than ninety (90) days old need not be re-verified. Verifications may be extended for an additional thirty (30) days with a telephone update. (A record of the update, including the name and title of the individual contacted and the date contacted shall be placed in the applicant's file.) Verified information not subject to change (such as a person's date and place of birth) need not be re-verified.

Information obtained that is subject to change and for which verifications are more than ninety (90) days old, should be re-verified. HUD requires that verification forms used to support HHA's admission decisions be placed in the applicant's (and subsequently, the tenant's) files. Information that is subject to change, such as income, assets, family composition, etc. should be verified close to certification or recertification. Preferences must be verified once, just before admission. It is up to HHA to decide the acceptable term of the verification and whether re-verifications are needed.

B. Tiers of Verification As Mandated by HUD

Information will be verified in order through the six tiers of the verification hierarchy described briefly below. Should the highest level of verification techniques not contain

any employment and income information for the family, the PHA will attempt the next lower level of verification technique and move down the hierarchy until an acceptable verification is obtained. At least two (2) documented attempts to obtain third-party verification shall be made at each level before the next level of verification is used. (Level 6 being the “highest” form of acceptable verification and Level 1 being the “last resort” method of acceptable verification).

- Level 6 - Upfront Income Verification (UIV): The highest mandatory level of third party verification using HUD’s Enterprise Income Verification (EIV) system.

Note: Not Available for Income Verification of Applicant

- Level 5 - Upfront Income Verification (UIV): The highest (optional) level of third party verification using non-HUD systems. Utilization of The Work Number (an automated verification system) and state government databases to validate tenant-report income.
- Level 4 – Written Third Party Verification: The high level of third party verification mandated as follows:
 - Mandatory to supplement EIV-reported income sources;
 - Mandatory when EIV has no date;
 - Mandatory for non-EIV reported income sources;
 - Mandatory when tenant disputes EIV-reported employment and income information and is unable to provide acceptable documentation to support dispute.
- Level 3 – Written Third Party Verification Form: The Medium-Low level of third party verification mandated as follows:
 - Mandatory if third party written verification documents are not available or rejected by the PHA;
 - Mandatory when the applicant or tenant is unable to provide acceptable documentation.
- Level 2 – Oral Third-Party: The Low level of third party verification mandated as follows:
 - Mandatory if written third-party verification is not available.

The housing authority may use telephone verifications.

- Level 1 – Tenant Declaration: The low level of verification techniques. (Also known as Self-Certification)
 - Used as a last resort when unable to obtain any type of third party verification. HHA will accept a notarized sworn statement (with penalty of perjury) from the applicant as tenant Declaration when no other form of verification is available.

The housing authority will not delay the processing of an Applicant beyond fourteen (14) calendar days because a third-party provider does not return the verification in a timely manner.

For Applicants, verification may not be more than 120 calendar days old at the time of a unit offer. For Residents, verifications are valid for 120 calendar days from the date of receipt.

Regardless of these timeframes, Criminal History Reports will be useable as a valid verification for no longer than 120 calendar days.

C. PHA Use of Verification Hierarch

Up-Front Income Verification – Level 6

This is highest ranked mandatory verification technique utilized by HHA in verifying employment and income information through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

Up-front income verification is available to HHA via HUD's Enterprise Income Verification (EIV) System. Information in the EIV System is derived from computer matching programs initiated by HUD with the Social Security Administration (SSA) and the U. S. Department of Health and Human Services (HHS) for all program participants with valid personal identifying information.

In accordance with §5.236 and administrative guidance issued by HUD, HHA will utilize HUD's Enterprise Verification System, in its entirety, as a third party source to verify tenant employment and income information during mandatory reexaminations or re-certifications of family composition and income.

HHA shall obtain an "Income Report" from the EIV System for each household. As required, the housing authority shall maintain the Income Report in the tenant file along with the Family Report form (HUD-50058) and all documents used to support the income and rent determinations for all mandatory annual reexaminations of family income and composition.

If the Income Report does not contain any employment and income information for the family, HHA shall attempt the next verification technique level and document why it moved to the next lower level.

Use of EIV Data

EIV data is used by HHA to validate tenant-reported income and supplement tenant-provided documents. Pursuant to HUD guidelines, the housing authority

shall use information for the sole purpose of determining eligibility and level of assistance for the public housing program.

Upon obtaining the EIV Income Report for the family, HHA shall compare the EIV information to the tenant-reported information. If no discrepancy is found, the housing authority shall calculate annual income using the tenant-provided documentation.

If there is a discrepancy between the EIV Income Report data and the tenant-reported income, i.e., income source not reported by tenant, substantial difference (\$2,400+ annually) in income reported, HHA shall obtain additional information from the tenant and/or the third party source, if necessary.

Harrisburg Housing Authority shall use the most current and reliable documentation obtained to calculate annual income. EIV data shall not be used to calculate anticipated annual income (except as specified in HUD guidelines).

NOTE: EIV is not available for income verification of applicants or new admissions.

However, as mandated by HUD, the PHA will review the EIV Income Report for all new admissions within 120 days of the PIC submission date (PHA submission of Family Characteristic Report [form HUD-50058] to HUD) to validate the family-reported income. Any discrepancy in income shall be resolved with the family within 60 days of the EIV Income Report date.

Tenant Dispute of EIV Data

When a tenant disputes the EIV Income Report data obtained by HHA, the housing authority shall request the tenant to provide acceptable documentation to support the information in dispute. If the tenant is unable to provide any form of acceptable documentation, HHA will request written third party verification.

Dispute Reveals Incorrect EIV Information

a. Employment and Wage Information:

Employment and wage information reported to EIV originates from the employer. The employer reports this information to the local State Workforce Agency (SWA). The SWA, in turn, reports the information to the HHS' National Directory of New Hires (NDNH) database.

If the tenant disputes the information the employer provided, it is the tenant's responsibility to contact the employer directly in writing to dispute the employment and/or wage information the employer reported to the SWA. The tenant will be required to provide HHA with a copy of the "written dispute". The "written dispute" to the employer from the tenant should request the employer correct the erroneous information. If employer resolution is not possible between

the tenant and the employer, the tenant should contact the local State Workforce Agency for assistance.

If provided to the PHA, the copy of the tenant's correspondence to the employer disputing the employment and/or wage information will be maintained in the tenant file.

b. Unemployment Benefit:

Unemployment benefit information reported in EIV also originates from the local SWA and thus the tenant shall follow the same process to dispute the information, if applicable. If provided to the PHA, the copy of the tenant's correspondence to the employer disputing the unemployment benefit information will be maintained in the tenant file.

c. SS and SSI Benefit Information:

Social Security (SS) and Social Supplemental (SSI) benefit information reported to EIV originates from the Social Security Administration (SSA). If the tenant disputes the information the SSA provided, it is the tenant's responsibility to contact the SSA at (800) 772-1213 or visit the local Social Security Administration Office.

d. Debts Owed to PHAs and Termination Information:

Debts owed to PHAs and termination of tenancy information reported to EIV originates from the current or a former PHA. If the tenant disputes the information provided, it is the responsibility of the tenant to contact the PHA (who reported the information) in writing to dispute the information and provide any documentation supporting the dispute.

If the PHA determines the disputed information is, in fact, correct, the PHA will update or delete the record from EIV.

Former tenants may dispute debt and termination information for a period of three years from the end of participation (EOP) date in the public housing program.

e. Identity Theft:

If the tenant suspects identity theft, it is the responsibility of the tenant to:

- (1) Check their Social Security records;
- (2) File an identity theft complaint with the local police department;
- (3) File an identity theft complaint with the Federal Trade Commission;
- and
- (4) Monitor their credit reports with the three national credit reporting agencies (Equifax, TransUnion and Experian)

The tenant will be required to provide HHA with written documentation of the filed identity theft complaint.

Disclosure of EIV Information

The Federal Privacy Act (5 USC §552a, as amended) prohibits the disclosure of an individual's information to another person without the written consent of such individual. As such, the PHA will not share, will not provide a copy and will not display the EIV data of an adult household member with another adult household member, unless the individual identified in the EIV data has provided written consent to disclose such information.

However, the PHA can elect to discuss with and show the head of household how the household's income and rent were determined based on the total family income reported to and verified by the PHA.

EIV information and any other information obtained by the PHA for the purpose of determining eligibility for the program may not and will not be disclosed to third parties for any reason, unless the tenant has authorized such disclosure in writing.

Income Discrepancy Resolution

In accordance with 24 CFR 5.236 the PHA will exercise the following in an attempt to resolve the discrepancy:

- Discuss the income discrepancy with the tenant
- Request the tenant to provide documentation to confirm or dispute the unreported or underreported income.

If the tenant is unable to provide acceptable documentation, the PHA shall request 3rd party verification directly from the source.

If the additional documentation confirms the family failed to report complete and accurate income information, the PHA will redetermine the tenant rent contribution retroactively as mandated by regulation. The family is required to repay the PHA for any retroactive amount owed as a result of the family's underreporting or failure to report income.

D. Information To Be Verified

The PHA is required to verify information that is used to determine the family's eligibility and program compliance. The information to be verified includes but is not limited to the following:

1. Preferences applicable to placement on and selection from the waiting list based on the selection preference adopted by the PHA.

2. Zero and/or sporadic income status of household. Zero and/or sporadic income applicants and participant will be required to complete a family expense form at each certification or recertification. Every zero and/or sporadic income resident will be required to attend a face to face interim recertification every thirty (30) days.
3. Full-time student status including High School students who are eighteen (18) years of age or older;
4. Current assets including assets disposed of for less than fair market value in preceding two years;
5. Childcare expenses when it allows an adult family member to be employed; look for work or further his/her education;
6. Total medical expenses of all family members in households whose head, spouse or co-head is elderly or disabled;
7. Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus that allow any adult family member, including the person with the disability, to be employed;
8. Legal identity;
9. U.S. citizenship/eligible immigration status;
10. Social Security Numbers for all family members;
11. Familial/Marital status when needed for head, spouse, or co-head definition;
12. Disability for determination of allowances, deductions or requests for accommodation including need for a live-in aide;
13. Time spent seeking employment when childcare is claimed for the activity;
14. Claims by an applicant or program participant the individual is a victim of domestic violence, dating violence or stalking and the incident in question are bona fide incidents of such actual or threatened abuse and meet the requirements set forth in the Violence Against Women Act. Such verification/certification shall include the name of the perpetrator.

Self-certification will be accepted via the approved certification form (HUD-91066) that the individual presenting it is a victim of domestic violence, dating violence or stalking and the incident or incidents in question are bona fide incidents of such actual or threatened abuse and meet the requirements set forth in

the Violence Against Women Act. Such certification shall include the name of the perpetrator.

The individual shall provide such certification within fourteen (14) business days after the owner, manager or HHA requested such certification. If the individual does not provide such certification within fourteen (14) business days after requested, admission to the housing assistance program may be denied or the housing assistance may be terminated.

15. All sources of income.

E. Release Of Information

As a condition of admission to or continued occupancy of any assisted unit, Harrisburg Housing Authority will require the family head and such other family members eighteen (18) years of age and older to execute a HUD-approved release and consent form authorizing any depository or private source of income or any Federal, State or Local agency, to furnish or to release to HHA and to HUD such information as HHA or HUD determines to be necessary. This includes a consent form for release of criminal/sex offender status information signed by each adult household member. HHA will furnish applicants and participants a Release of Information/Privacy Act Notice [HUD-9886 (7/94)] when collecting information to verify income. Refusal to cooperate with the HUD prescribed verification process as outlined in this Plan and HUD regulations will result in denial of admission or termination of tenancy.

F. Authority To Obtain Criminal History Records

HHA is authorized by 24 CFR part 5, subpart J to obtain criminal conviction records from a law enforcement agency and to use those records to screen applicants for admission to covered housing programs.

24 CFR part 5, subpart J, § 5.905 states a PHA administering a Housing Choice Voucher Program must carry out background checks necessary to determine whether a member of a household applying for admission to any federally-assisted housing program is subject to a lifetime sex offender registration requirement under a State Sex Offender Registration Program.

G. Permitted Use And Disclosure

The use and disclosure of criminal records/sex offender registration records received by HHA may only be used for applicant screening and/or termination of assistance. HHA may disclose criminal conviction records as follows:

1. To officers or employees of the HHA, or to authorized representatives of HHA who have a job-related need to have access to the information. For example, if HHA is seeking to terminate assistance to a Housing Choice Voucher participant

on the basis of criminal activity/sex offender status as shown in criminal conviction records, the records may be disclosed to HHA employees performing functions related to the termination, or to HHA's hearing officer conducting an administrative informal hearing concerning the proposed termination.

2. If HHA obtains criminal records from a State or Local agency showing that a household member has been convicted of a crime relevant to applicant screening or tenant lease enforcement or termination of assistance, HHA must:
 - Notify the head of household of the proposed action based on the information obtained; and
 - Provide the subject of the record and the applicant or Housing Choice Voucher Program or other program participant a copy of such information and an opportunity to dispute the accuracy and relevance of the information.

3. Any other negligent or knowing action that is inconsistent with the statute or regulations. Conviction for a misdemeanor or imposition of a penalty of not more than \$5,000 is the potential for:
 - Any person, including an officer, employee, or authorized representative of HHA who knowingly and willfully requests or obtains any information concerning an applicant for, or tenant of HHA under false pretenses;
 - Any person, including an officer, employee, or authorized representative of HHA who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive the information.

4. HHA may be liable under civil law to any applicant for, or Section 8 participant of HHA who is affected by either of the following:
 - A negligent or knowing disclosure of criminal records information obtained under statutory authority about such person by an officer, employee, or authorized representative of HHA if the disclosure is not authorized under the statute or regulations.
 - An applicant for, or assisted participant of HHA may seek relief against the HHA for inappropriate disclosure by bringing a civil action for damages and such other relief as may be appropriate. The United States district court in which the applicant or participant resides, in which the unauthorized action occurred, or in which the officer, employee, or representative of a HHA alleged to be responsible resides, has jurisdiction. Appropriate relief may include reasonable attorney's fees and other litigation costs.

H. Receipt Of Information From Law Enforcement Agencies

When the law enforcement agency/state registration entity receives HHA's request, the agency must promptly release to HHA a certified copy of criminal conviction records concerning the household member they have in their possession or under their control. National Crime Information Center (NCIC) records must be provided in accordance with NCIC procedures.

The law enforcement agency may charge a reasonable fee for this service but any fee charged by the agency for this service may not be passed on to the applicant.

I. Records Management

1. HHA has established and implemented a system of records management that ensures that records received from a law enforcement agency are:

- Maintained confidentially;
- Not misused or improperly disseminated;
- Destroyed once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to HHA action without institution of a challenge or final disposition of any such litigation.

All information provided to an owner, manager or HHA pursuant to VAWA, including the fact that an individual is a victim of domestic violence, dating violence, or stalking shall be retained in confidence by an owner, manager or HHA and shall neither be entered into any shared database nor be provided to any related entity, except to the extent disclosure is requested or consented to in writing by the individual; required for use in an eviction proceeding of an abuser, stalker or perpetrator of domestic violence; or is otherwise required by applicable law.

2. The records management requirements do not apply to sex offender registration information that is public information or is obtained by the PHA other than from a State or Local agency responsible for the collection or maintenance of such information.

J. Verification Of Local Preferences (Former Federal Preferences)

The following methods may be used based upon the PHA's preference policies:

1. Involuntary Displacement (Disaster, Government Action, Action of Housing Owner, Inaccessibility, Property Disposition)
 - a. Verification of an applicant's ***involuntary displacement*** is established by the following documentation.

- Certification from a unit or agency of government that an applicant has been or will be displaced as result of a disaster.
 - Certification from a unit or agency of government that an applicant has been or will be displaced by government action.
 - Certification from an owner or owner’s agent, that an applicant had to, or will have to vacate a unit by a certain date because of an owner action specified in the regulations.
 - Certification of displacement because of domestic violence from the local police department, social services agency, or court of competent jurisdiction, or a clergyman, physician, or public or private facility that provides shelter or counseling to the victims of domestic violence. The applicant family will be required to certify that the abuser will not return to the residence without prior written permission of the PHA.
 - Certification of displacement to avoid reprisals, if a family member is providing information to a law enforcement agency. The law enforcement agency must conduct a threat assessment and recommend that the family be re-housed to avoid or minimize risk.
 - Certification of displacement by hate crimes, if one or more family member is a victim of a hate crime and law enforcement officials and/or appropriate social service agencies show that the hate crime occurred recently or is of a continuing nature. A hate crime is actual or threatened physical violence or intimidation that is directed against a person or his/her property and that is based on the person’s race, color, religion, sex, natural origin, disability or familial status.
 - The owner and/or the appropriate social services agency can provide certification of displacement due to inaccessibility of the unit. In this case, the owner must be able to demonstrate that he/she is not required by law to make the unit accessible.
 - Certification by HUD or to other governmental or relocation agency regarding the displacement of families in a multi-family housing development that is subject to disposition.
- b. Verification that an applicant is living in substandard housing from a unit or agency of government, or from an applicant’s present landlord, the applicant’s unit has one or more of the deficiencies listed in the Definitions section of this policy. In the case of a “homeless family”, this status may be obtained from a public or private facility that provides shelter for such individuals, or from the local police department or social services agency. A “homeless family” must meet the criteria stated in the Definitions section of this policy.

2. Verification of Domestic Violence

- HUD 50066 Certification of Domestic Violence, Dating Violence or Stalking
- Name of perpetrator in order for HHA to add the perpetrator’s name to the “NO TRESPASS” list
- Certification of displacement because of domestic violence from the local police department, social service agency or court of competent jurisdiction or public or private facility that provides shelter or counseling to the victims of domestic violence. The applicant family will be required to certify the abuser will not return to the residence without prior written permission of HHA.

3. Verification of an Applicant Being Homeless or at Risk of Becoming Homeless

- Certification from a unit or agency of government indicating an applicant is homeless or is at risk of becoming homeless.

4. Verification of Residency

- a. Utility bills in the name of the family;
- b. Telephone/cable bills;
- c. Verification from schools where children are enrolled;
- d. Rental or lease agreements;
- e. Landlord statements;
- f. Public social services verifications.

5. Verification of Veteran Status

- a. Honorable, general discharge papers;
- b. DD 214 form.

K. Verification of Income

All income will be verified. This may include, but not be limited to the following:

- 1. Gross Employment Income of all Household Members;
- 2. Social Security, Pensions, SSI and Disability Income;
- 3. Unemployment compensation;
- 4. Welfare Payments or General Assistance;
- 5. Alimony or Child support, Monetary or Not;
- 6. Net Income From a Business, Including Childcare and Home Sales;

7. Recurring Monetary Contributions and Gifts;
8. Zero and/or Sporadic Income Status;
9. Full-Time Student Status;
10. All Income Excluded by Federal Mandate will be Verified for Reporting Purposes Only.

L. Assets and Income from Assets

All assets to which any household member has access and Income from assets will be verified. This may include, but not limited to the following:

1. Checking Accounts;
2. Current Savings Accounts and Certificates of Deposit of all Household Members;
3. Property Owned or Financed by Household Members;
4. Cash Value of Life Insurance Policies;
5. Retirement/Pension Funds;
6. Assets Disposed of for Less than Fair Market Value in Previous 24 Months.

M. Verification of Deductions from Income

1. Childcare Expenses

HHA will verify:

- Eligibility for Childcare Expenses
- Reasonable Cost for Childcare

A childcare expense deduction is allowed when a family member requires childcare to seek furthering his/her education, or to actively seek employment.

If childcare is required for a family member to seek furthering their education or to actively seek employment, the childcare costs must be reasonable.

Exceptions may be made on a case-by-case basis for unusual circumstances or disabilities.

If childcare is required for employment, childcare expense will be capped by employment income.

Childcare for actively seeking employment is allowed if the resident provides verifiable documentation of his/her efforts to seek employment away from home.

Childcare will not be provided for time spent seeking employment via home computer.

2. Medical and Handicapped Assistance Expenses

IRS publication 502 will be used a guidance where questions arise as to an item's eligibility. This publication provides a complete listing and description of allowable medical and dental expenses that can be included as medical deductions. Where an expense item can be treated as either a medical or a disability assistance expense, HHA will calculate the expenses both ways and give the family the greater deduction.

HHA will advise all families at each certification/recertification that they may report any one-time non-recurring medical or disability expense cost and request an interim recertification.

Families who claim medical expenses or expenses to assist a person with a 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, as well as, proof of reimbursement of all medical expenses. Reimbursement of medical expenses must be reported on Form HUD-50058.

All expense claims will be verified by one or more of the methods listed below:

- Written third party verification by a doctor, hospital or clinic personnel, dentist, and/or pharmacist concerning anticipated medical costs to be incurred by the family and regular payments due on medical bills; and the extent to which those expenses will be reimbursed by an insurance or government agency.
- Written third party confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
- Written third party confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next (12) months. A computer printout will be accepted.

3. Disability Assistance Expense Deduction

Families are entitled to deduction for un-reimbursed expenses for care attendants and auxiliary apparatus expenses for a member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the disabled member) to work. The allowable disability assistance expense is the portion that exceeds three percent of annual income. This deduction may not exceed the earned income received by family members who are (18) or over, and who are able to work because of such attendant care or auxiliary apparatus.

The PHA will verify:

- the disability;
- the un-reimbursed expenses for care or apparatus;
- whether the expense is directly related to enabling employment;
- income earned due to the care or apparatus

N. Verifying Non-Financial Factors

Non-financial factors that must be verified include, but are not limited to:

1. Legal Identity;
2. Marital Status;
3. Familial Relationships;
4. Permanent Absence of Adult Member;
5. Change in Family Composition;
6. Disability;
7. Funds Owed the PHA or Other Housing Authorities;
8. Social Security Numbers;

The PHA will require the applicant to provide Social Security Numbers for all family members or certify that no Social Security Number has been issued; or

9. Citizenship and Non-Eligible Immigrations Status.

VI. Briefing Of Families And Issuance Of Housing Choice Vouchers

A. Briefing Notices

Notices of the briefing session are sent to eligible candidates at least fourteen (14) days in advance of the briefing session. If the applicant fails to appear, he/she will be rescheduled for the next briefing session. If the applicant fails to appear a second time, the application will be withdrawn. The applicant family can reapply when the PHA is accepting applications.

B. Contents of the Briefing

A family selected to participate in Harrisburg Housing Authority’s tenant-based program will be provided an oral briefing.

1. The briefing must include information on the following subjects:
 - a. A description of how the program works;
 - b. Family and owner/landlord responsibilities;
 - c. Where the family may lease a unit, including renting a dwelling unit inside or outside the PHA’s jurisdiction;
 - d. An explanation of how portability works;

HHA may not discourage the family from choosing to live anywhere in the HHA’s jurisdiction or outside the HHA’s jurisdiction under portability procedures.
 - e. An explanation of the advantages of moving to areas outside of poverty or minority concentration.
2. In briefing a family that includes any disabled person, HHA shall take appropriate steps to ensure effective communication in accordance with 24 CFR 8.6.

C. Contents of Briefing Packet

When a family is selected to participate in the program, HHA will give the family a packet that includes the following information:

1. The initial time to locate a unit and HHA’s policy on any extensions or suspensions of the term. If HHA allows extensions, the packet must explain how the family can request an extension;

2. How HHA determines the housing assistance payment for a family including prorated assistance for mixed families who have one or more ineligible family members according to the restrictions on assistance to non-citizen rule;
3. Payment standard and the HHA's Utility Allowance Schedule;
4. How HHA determines the maximum rent for an assisted unit;
5. What the family should consider in deciding whether to lease a unit, including:
 - The condition of a unit;
 - Whether the rent is reasonable;
 - The cost of any resident-paid utilities and whether the unit is energy efficient; and
 - The location of the unit, including proximity to public transportation, centers of employment, schools and shopping.
6. Where the family may lease a unit. For a family that qualifies to lease a unit outside HHA's jurisdiction under portability procedure, the information packet must include an explanation of how portability works.
7. The HUD-required lease addendum. The lease addendum is the language that must be included in the lease;
8. The Request for Tenancy Approval form and an explanation of how to request HHA's approval to lease a unit;
9. A statement of HHA's policy on providing information about a family to prospective owners/landlords;
10. HHA subsidy standards, including when HHA will consider granting exceptions to the standards;
11. The HUD brochure on how to select a unit;
12. The HUD lead-paint (LBP) brochure;
13. Information on Federal, State and Local equal opportunity laws, and a copy of the housing discrimination complaint form;
14. A list of owners/landlords or other parties known to HHA who may be willing to lease a unit to the family, or help the family find a unit;
15. Notice that if the family includes a disabled person, the family may request a current listing of accessible units known to HHA that may be available;

16. Family obligations under the program;
17. The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act; and
18. HHA's informal hearing procedures. This information must describe when HHA is required to give a participant family the opportunity for an informal hearing, and how to request a hearing;
19. A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families;
20. A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration;
21. Housing Quality Standards Checklist;
22. Procedures for notifying HHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair;
23. Requirements for reporting changes between certifications;
24. Information on security deposits.

D. Extensions and Suspensions

1. The initial period to locate a unit expires at the end of sixty (60) days from the date of issuance voucher, unless the family has submitted a Request for Tenancy Approval. In order to have the time extended for a period not to exceed an additional sixty (60) days, the family must request the extension in writing. All requests for extensions should be received prior to the expiration date.
2. HHA staff will review with the family the efforts they have made to find a suitable dwelling unit and the problems they have encountered. The staff shall offer advice or assistance which may be helpful in assisting the family to locate appropriate and affordable housing. If the PHA determines there is a reasonable possibility that the family cannot locate suitable housing, HHA will grant an extension for an additional amount of time. In no event shall the time be extended beyond the maximum time limit allowed by Federal Regulations.
3. The PHA may grant a family a suspension of the term if the family has submitted a Request for Tenancy Approval during the term.

E. Subsidy Standards

- Harrisburg Housing Authority’s occupancy standards are listed below:

Size	Minimum # Of Persons	Maximum # Of Persons
0 Bedroom	1	1
1 Bedroom	1	3
2 Bedroom	2	5
3 Bedroom	3	7
4 Bedroom	4	9

These standards will be used to determine the maximum rent subsidy a family assisted in the voucher program will receive. These standards will be applied consistently for all family of like size and composition.

Exceptions to the above will be reviewed by the President and may be allowed depending upon individual circumstances.

A participant may select a smaller size unit than the size listed on their Housing Choice Voucher. However, the Payment Standard for the smaller size unit shall be utilized.

NOTE: HQS space requirements allow two (2) persons per living/sleeping room and would permit the following maximum occupancy, assuming a living room is used as a living/sleeping area:

Bedroom Size	Maximum # of Persons
0 Bedroom	1
1 Bedroom	4
2 Bedroom	6
3 Bedroom	8

4 Bedroom	10
5 Bedroom	12
6 Bedroom	14

2. Voucher Issuance

The payment standard for the assigned subsidy size determines the maximum subsidy allowed for a participant. This standard is determined by assigning the number of bedrooms the family requires to accommodate the family composition and the number of family members in the applicant household. The assignment of the bedroom unit size is for the purpose of setting the allowable subsidy standard for the family and does not dictate the bedroom size unit the family may select as its housing choice. The following guidelines are used to determine each family’s assigned subsidy size without overcrowding or under-housing.

The aforementioned subsidy standards are based on the assumption that:

- (a) No more than two persons will be required to share a bedroom;
- (b) Persons of the opposite sex over the age of four (4) other than husband and wife will not be required to share a bedroom;
- (c) Children of the same sex will share a bedroom;
- (d) Adults of the same sex will share a bedroom; however, adults of a different generation, i.e. mother, grandmother, may be permitted separate bedrooms; and
- (e) A live-in aide is permitted a separate bedroom.

The family composition as indicated on the application for assistance is used in determining bedroom size. HHA will consider the status of a pregnant woman, children in the process of being adopted and children who are temporarily in foster care or whose custody is being obtained in the determination of the appropriate subsidy size. A family may request an exception to occupancy standards when a licensed professional clinician documents, for specific reasons, the need for separate bedroom accommodations. The Department Administrator or the President may grant this exception.

Exceptions to the above will be reviewed by the President and may be allowed depending upon individual circumstances.

3. Effect of Subsidy Standard (Family Unit Size) on Payment Standard

The family unit size, as established by HHA’s subsidy standard and reflected on the Voucher issued to the family, is used to determine the maximum Voucher rent subsidy.

The family may rent a smaller or larger bedroom size unit than what is reflected on the voucher provided the unit meets Housing Quality Standard guidelines.

The applicable payment standard for a family shall always **be the lower of:**

- The payment standard amount for the family unit size reflected on Voucher issued to family; or
- The payment standard for the actual size of the unit rented by the family

4. Issuance of Voucher to Family

When the application process reaches full circle:

- Pre-application;
- Full application;
- Verification of all family income;
- Family Composition;
- Social Security Numbers;
- Background Checks;
- Claimed Preference(s);
- Debts to any Public Housing Authority;
- Any other pertinent information;
- Family is determined eligible;
- Application subsidy calculated;

HHA will issue a voucher (form HUD-52646).

The family will be required to attend a voucher briefing and sign the voucher. After completion of the voucher briefing, the family can begin the search for a unit. When the family finds a unit and the owner/landlord is willing to lease the unit under the program, the owner/landlord must prepare a Request for Tenancy Approval (RFTA) (form HUD-52517) and provide the proposed lease to the family. The family will take these documents to HHA and HHA will proceed with the process to approve or disapprove the RFTA. (See Section VIII. A. Request for Tenancy Approval)

VII. Housing Quality Standards And Inspections

A. Applicable Quality Standards

Any housing unit contracted with HHA will meet the minimum Housing Quality Standards (HQS) as set forth in 24 CFR 982.401. Local housing codes adopted by HHA must meet or exceed HQS requirements. When adopting Local Codes, HHA will assure that the choice of housing will not be restricted by using those codes.

B. Initial HQS Inspection

1. The Initial Inspection will be conducted to:
 - a. Determine if the unit and property meet the HQS defined in this Plan.
 - b. Document the current condition of the unit to assist in future evaluations as to whether or not the condition of the unit exceeds normal wear and tear.
 - c. Document the information to be used for determination of rent-reasonableness.
2. If the unit fails the initial Housing Quality Standards inspection, the family and owner/landlord will be advised to notify HHA once repairs are completed.
3. The owner/landlord will be given up to thirty (30) days to correct the items noted as *failed* at the inspector's discretion, depending on the amount and complexity of work to be done.
4. The owner/landlord will be allowed up to two (2) re-inspections for repair work to be completed.
5. If the time period given by the Inspector to correct the repairs has elapsed, or the maximum number of failed re-inspections has occurred, the family may select another unit within the time limit remaining on the Voucher or of the Request for Tenancy Approval submission date.
6. For PHA's with 1250 or less units, the inspection should be made within fifteen (15) days from the date the unit is available for inspection.
7. For PHA's with 1250 or more units, the inspection should be made within a "reasonable period" of time.

C. Annual HQS Inspections

1. Annual inspections shall be conducted 90-120 days prior to the anniversary month of the contract.
2. HQS deficiencies which cause a unit to fail must be corrected by the owner/landlord unless it is a fail for which the tenant/participant is responsible.
3. The family must allow the PHA to inspect the unit at reasonable times and reasonable notice.
4. Reasonable hours to conduct an inspection are between 9:00 AM and 4:00 PM.
5. The family shall be notified in writing at least one (1) day prior to the inspection.
6. If the family does not contact HHA to reschedule the inspection, or if the family has missed two (2) inspection appointments, HHA will consider the family to have violated a Family Obligation and their assistance may be terminated in accordance with the termination procedures in this Plan.
7. Time Standards for Repairs:
 - a. Life-threatening HQS fail items must be corrected by the owner/landlord or resident, if responsible, within twenty-four (24) hours of notification.
 - b. For non-emergency items, repairs must be made within thirty (30) days.
 - c. Extensions may be granted in lieu of abatement in the following cases:
 - There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services;
 - The repairs are expensive (such as exterior painting or roof repair) and the owner/landlord needs time to obtain the funds;
 - The repairs must be delayed due to climate conditions;
 - The extension will be made for a period of time not to exceed thirty (30) days. At the end of that time, if the work is not completed, the HAP may be abated or the contract terminated.

D. Special/Complaint Inspections

1. If at any time the family or owner/landlord notifies HHA the unit does not meet Housing Quality Standards, an inspection may be conducted.
2. HHA may also conduct a special inspection based on information from third-parties such as neighbors or public officials.
3. The PHA may inspect only the items which were reported, but if the Inspector notices additional deficiencies that would cause the unit to fail HQS, the responsible party will be required to make the necessary repairs.

4. The PHA will provide the owner/landlord a notice with a copy of the inspection report identifying the HQS violations. The notice will specify the time allowed for corrective action and tell the owner/landlord to contact the PHA when the unit is ready for re-inspection.
5. If the tenant/participant is responsible for repairs they will be notified of the time allowed to take corrective action.
6. If the anniversary date is within 120 days of a special inspection, the special inspection may be categorized as “Annual” and all annual procedures will be followed.

E. Quality Control Inspection

1. Quality Control Inspections will be performed by a supervisor or other qualified staff member using the same minimum sample size as is now required for other supervisory quality control reviews pursuant to the SEMAP regulations. The purpose of Quality Control Inspections is to ascertain that each Inspector is conducting accurate and complete inspections, and to ensure that there is consistency among Inspectors in application of the HQS.
2. The results of the inspection are reviewed with the Inspector.
3. Housing Quality Standards Control Inspections Reports are compared with Annual Inspection Reports recently completed by inspection staff. Discrepancies between the two (2) inspection reports are evaluated. Discrepancies categorized as Inspector error are catalogued and reviewed with the Inspector. The review is to be instructional and information, not punitive.

F. Life Threatening HQS Deficiencies

1. Items of an emergency nature must be corrected by the owner/landlord or resident, whoever is responsible, within (24) hours of notice by the Inspector.
2. If the emergency repair item(s) are not corrected in the time period required by HHA and the owner/landlord is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.
3. If the emergency repair item(s) are not corrected in the period required and it is an HQS breach which is a family obligation, assistance to the family may be terminated.

G. Consequences If Owner/Landlord is responsible (Non-Emergency Items)

1. When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner/landlord is responsible for completing the necessary repair(s) in the time period specified by HHA, the assistance payment to the owner/landlord will be abated.
 - a. A Notice of Abatement will be sent to the Owner/Landlord, and the abatement will be effective from the day after the date of the failed inspection. The notice is generally for thirty (30) days, depending on the nature of the repair(s) needed.
 - b. HHA may inspect abated units within three (3) days of the of owner's/landlord's notification the work has been completed.
 - c. If the owner/landlord makes repairs during the abatement period, payment will resume on the day the unit passes inspection.
 - d. HHA will advise owners/landlords and tenant/participant of the re-inspection date and request the owner/landlord/tenant to be present.
 - e. No retroactive payments will be made to the owner/landlord for the period of time the rent was abated and the unit did not comply with HQS.

2. Termination of Contract
 - a. If the owner/landlord is responsible for repairs, and fails to correct all deficiencies cited prior to the repair deadline or extension, the contract may be terminated.
 - b. If repairs are completed before the effective termination date, the termination may be rescinded if the tenant/participant chooses to remain in the unit.

H. Determination of Responsibility

1. Certain HQS deficiencies are considered the responsibility of the family:
 - a. Resident-paid utilities not in service;
 - b. Failure to provide or maintain family-supplied appliances;
 - c. Damage to the unit or premises caused by a household member or guest beyond "normal wear and tear" is defined as items which would be charged against the resident's security deposit under state law or court practice.

2. The owner/landlord is responsible for all other HQS violations, which includes smoke alarms.

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

4. The Inspector will make a determination of owner/landlord or family responsibility during the inspection.
5. If the family is responsible but the owner/landlord carries out repairs, the owner/landlord will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

I. Consequences If Family Is Responsible

1. If non-emergency violations of HQS are determined to be the responsibility of the family, the family shall make any repair(s) or corrections within thirty (30) days. If the repair(s) or correction(s) are not made in this time period, HHA will terminate assistance to the family. The President must approve extensions in these cases. The owner's/landlord's rent will not be abated for items that are the family's responsibility.
2. If the resident is responsible and corrections are not made, the HAP Contract will terminate when assistance is terminated.

Housing Quality Standards: See Addendum for HUD approved HQS.

VIII. Request For Tenancy Approval, Rent Reasonableness, Disapproval of Owner/Landlord, Execution of Lease And HAP Contract, and Rent Increase.

A. Request For Tenancy Approval

1. Upon finding a unit that is suitable and if the owner/landlord is willing to lease the unit to the family under the Housing Choice Voucher Program, the family must request tenancy approval of the unit from the PHA. The following documents must be submitted to HHA to begin the process of approving the unit selected by the family. These documents are:
 - a. Request for Tenancy Approval (RFTA) (form HUD-53517);
 - b. A copy of the proposed lease between the owner and the family (this must include the HUD prescribed tenancy addendum).
2. The RFTA must be completed in full and submitted to the PHA no later than the expiration date stated on the Voucher.
3. The owner/landlord must certify, on form HUD-53517, the most recent amount of rent charged for the unit. If there is any difference between the prior rent charged and the proposed rent, the owner/landlord must provide an explanation for the difference. HHA may require supporting documentation for the difference in rent when applicable.
4. The owner/landlord must certify that they are not related to any member of the family (parent, child, grandparent, grandchild, sister or brother). The certification will not be required if HHA has granted the family a request for reasonable accommodations for a person with disabilities who is a member of the tenant household.
5. For units built prior to 1978, the owner/landlord must either:
 - a. Certify the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspection; or
 - b. Attach a lead-based paint disclose statement
6. The PHA will permit a family to submit only one Request for Tenancy Approval at a time.

B. PHA's Approval Of The Tenancy

1. The PHA will ensure that the following program requirements have been met prior to approving the Request for Tenancy Approval:

- a. The unit is eligible;
- b. The unit has been inspected by the PHA and meets HQS;
- c. The proposed lease includes the HUD prescribed tenancy addendum;
- d. The proposed rent by the owner/landlord is reasonable.

HHA will review the rent to owner to determine if the rent is reasonable. During the HAP contract term, the rent to owner at no time may exceed the reasonable rent for the contract unit as most recently determined by HHA.

24 CFR 982.507 (a) (3) provides HHA may determine the reasonable rent of units under contract at any time. HHA may also request information at any time from the owner to ensure the rent charged by the owner for comparable unassisted units in the premises.

The owner must give HHA any information requested by the HHA on rents charged by the owner for other units in the premises or elsewhere. If the rent to owner is not reasonable as most recently determined by HHA, HHA must reduce the rent to owner to the reasonable amount or the HAP contract must be terminated.

2. The PHA will not approve a Request for Tenancy Approval if the unit chosen is one of the following:
 - a. Public or Indian housing unit;
 - b. Unit receiving Section 8 project-based assistance;
 - c. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing services;
 - d. College or other school dormitories;
 - e. Units on the grounds of penal, reformatory, medical, mental and similar public or private institutions;
 - f. Unit occupied by the owner or by a person with interest in the dwelling unit.

C. Notification To Family And Owner/Landlord

HHA will promptly notify the family and the owner/landlord of disapproval of the Request for Tenancy Approval. The notification will provide the reason(s) for disapproval. The notification will also provide the owner/landlord and family with an opportunity to correct the problems within thirty (30) days.

D. PHA's Disapproval of Owner/Landlord

1. The PHA will not approve an assisted tenancy if:
 - a. The owner/landlord is debarred, suspended or subject to a limited denial of participation;
 - b. The federal government has instituted an administrative or judicial action against the owner/landlord for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending; or
 - c. A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.
2. HHA will not approve an assisted tenancy if the lease is executed between relatives. That is, if the owner/landlord of the unit is related to any member of the assisted family.
3. The PHA will not approve contracts in which any of the following parties have current interest in the HAP contract or will have an interest in the HAP contract for one year thereafter:
 - Present or former member or officer of the PHA, except a participant commissioner;
 - Employee of the PHA or any contractor, subcontractor or agent of the PHA who formulates policy or influences program decisions;
 - Public official, member of a governing body, or state or local legislator who exercises functions or responsibilities related to the program; or
 - Members of the U.S. Congress.

E. PHA's Discretion to Disapprove Owners/Landlords

The PHA, at its discretion, will disapprove an owner/landlord for any of the specific reasons listed below:

1. Violation of obligations under one or more HAP contracts;
2. Acts of fraud, bribery or other corrupt or criminal act in connection with any federal housing programs;
3. Participation in any drug related activity or any violent criminal activity;
4. Current or previous practice on non-compliance with HQS and/or state and local housing codes or with applicable housing standards for units leased under any other federal housing programs;

5. Current or prior history of refusing to evict Housing Choice Voucher Program or other assisted housing tenants for activity by the tenant, any member of the household, a guest, or another person(s) under the control of any member of the household that:
 - Threatens the right to peaceful enjoyment of the premises by other residents;
 - Threatens the health or safety of residents, PHA employees, or owner's employees;
 - Threatens the neighbors' health or safety; or neighbors' right to peaceful enjoyment of their residence; or
 - Engages in drug related criminal activity or violent criminal activity.
6. Fails to pay state or local real estate taxes, fines or assessments.

F. Rent Reasonableness Determination and Documentation

1. HHA will not approve a lease until it is determined that the initial rent to the owner/landlord is a reasonable rent. HHA must also determine the reasonable rent before any increase in the rent is approved and if there is a five percent (5%) decrease in the published FMR in effect sixty (60) days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.
2. HHA will also determine rent reasonableness when owners/landlords request an increase in the rent for a voucher unit.
3. Local government or independent entities (approved by HUD) must perform HQS inspection and rent reasonableness determinations for PHA-owned units leased by voucher holders:
 - HHA will pay expenses associated with the performance;
 - The family cannot be charged for these services;
 - HHA may use administrative fee income to compensate the independent agencies for their services.
 - **Starting in FY2023 under the MTW Program HHA will be able to make rent reasonableness determinations and do HQS inspections by itself on HHA-owned PBV units. However, as a quality assurance method if a determination is disputed HHA will have a third-party independent entity perform the determination and/or inspection.**
4. The following items will be used for rent reasonableness documentation:
 - Size (number of bedrooms/square footage);
 - Location;
 - Quality;

- Amenities (bathrooms, dishwasher, air conditioning, etc.);
 - Housing services;
 - Age of unit;
 - Unit Type;
 - Utilities;
 - Maintenance.
5. The following basic methodology may be used to certify the requested rent is reasonable in relation to rents being charges for unassisted units:
- a. HHA collects the required data concerning the unit to be assisted from the Request for Tenancy Approval and during the inspection.
 - b. Data from comparable units may be collected from the following sources:
 - Multiple Listing Service;
 - Newspapers and owner/landlord interviews;
 - Other methods as needed;
 - Owner/agent questionnaires;
 - On-site visits
 - c. Data concerning at least three (3) comparables and the assisted unit may be recorded on a Rent Reasonableness Determination (RRD) form. This form may be attached to the inspection records.
 - d. The data on the RRD form is analyzed and an approvable rent is determined and recorded on the RRD with the date and name of the staff person.
 - e. The analysis will utilize the appraisal method comparing point or dollar values or the standard deviation method using rents adjusted for all of the comparable items.
 - f. Rent rolls may be requested from owner/agents if needed to determine that rents charged for unassisted units in a complex are favorably comparable to the assisted unit.
6. HHA must re-determine rent reasonableness if directed by HUD. HHA may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner/landlord may not exceed the reasonable rent as most recently determined or re-determined by HHA.
7. **HHA has added to its rent reasonableness process the landlord's ability to provide 3 comparables of their own to then be assessed by a third party. If the third party finds them to be comparable the reasonable determination can be changed.**
8. The owner/landlord will be advised that by accepting each monthly housing assistance payment he/she will be certifying that:
- a. The rent to owner/landlord is not more than rent charged by the owner/landlord for comparable unassisted units in the premises;
 - b. The assisted family is currently occupying the unit;

- c. The assisted family is not in violation of lease obligations; and
- d. The owner/landlord is in compliance with the terms of the Section 8 HAP Contract.

G. Execution of the Lease and Contract

1. The owner/landlord and tenant must execute the HUD mandated Lease Addendum after the owner's/landlord's lease is approved by HHA. If HHA determines that the proposed lease is unacceptable, the owner/landlord has ten (10) calendar days to amend it and resubmit it to the PHA.
2. HHA may recommend the use of a standard lease designed by HHA. However, HHA should encourage all owners/landlords to use their own lease. This is currently not applicable to Harrisburg Housing Authority.
3. The effective date of the lease and HAP Contract shall be on the same date and after the unit passes the HQS inspection.
4. The lease and contract should be executed within sixty (60) days of the effective date.
5. The lease must be consistent with state and local laws.
6. The lease must be generally applied to unassisted residents.
7. Defines resident's legal capacity as having capacity under state and local law and that "the resident is bound by the terms of the lease and may enforce the lease against the owner".
8. At a minimum, the lease must include:
 - a. The tenant's and owner's/landlord's name;
 - b. The term of the lease (and any conditions of renewal);
 - c. The monthly rent to owner/landlord;
 - d. Specifications regarding which utilities and appliances are furnished by the owner/landlord and which are provided by the tenant;
 - e. Clarifies conditions under which execution of a new HAP contract and HHA approval of the lease would be required:
 - Change in owner/landlord or tenant provided utilities or appliances;
 - Changes in the term of the lease;
 - Family moves to a new unit in the same building or complex.
9. Change in rent does not necessitate a new contract or new lease, unless local practice requires a new lease.

H. Rent Increases

The owner/landlord must submit a rent increase in accordance with the HAP Contract. The tenant/participant must be served with the notice of the increase in rent and the effective date must be no sooner than sixty (60) days after the notice date. HHA must receive a copy from the owner/landlord in order to process the increase.

Upon receipt of the notice of rent increase HHA must determine if the increased rent meets the rent reasonableness standard. In areas where there is rent control, HHA must determine whether or not rent control restrictions also impact the rent increase.

In cases where HHA cannot justify the rent increase through rent reasonableness, the owner/landlord must be notified in writing. The owner/landlord may appeal HHA's decision, providing HHA with non-assisted comparable units in his/her property receiving the requested rent. If HHA does not approve the increase, the tenant/participant cannot assume the burden of the increase.

Owners/landlords may request and HUD may approve a special rent increase pursuant to the HAP Contract.

I. Manufactured Homeowners Leasing Pad

The subsidy amount for expenses associated with pad leasing for mobile homeowners has been increased from thirty percent (30%) of the two-bedroom FMR to forty percent (40%). (This is not currently applicable to Harrisburg Housing Authority.)

IX. Payment Standards

- A. Each year, HHA will establish Payment Standards between 90-110% of the current Fair Market Rent. HUD approval will be obtained if subsidy amount is below or above established FMR. If below FMR, HUD will not approve if more than forty percent (40%) of HHA's participants are paying a family share above thirty percent (30%) of adjusted monthly income.
- a. **As part of the Move To Work (MTW) expansion, HHA will be changing its payment standard to between 80%-120% of the current Fair Market Rent, starting in Fiscal Year 2023. Each year the effect of this change will be monitored and reviewed as to whether it will continue in the following years.**
- If HHA ends up using FMR that are between 80% and 100% FMR and the Rent Reasonableness Calculation for a unit comes in above the 80-100% FMR set, a tenant can ask for a hardship waiver of this policy. The tenant may request that HHA use the rent reasonableness calculation up to 100% FMR for the unit rent instead of the FMR limit, and HHA will cover the additional rent over 40% of the tenant's income. For more information see the MTW Hardship Policies.**
- B. When the Payment Standard is adjusted, staff will make the appropriate changes during the family's annual reexamination.
- C. Factors HHA may review on an annual basis, within sixty (60) days of the publication of the Fair Market Rents schedule, include the following:
1. Participant rent burdens (percent of Tenant Rent to adjusted household income);
 2. Participant rent burden relative to the quality of units selected by participant families;
 3. Participant rent burden relative to availability by bedroom size;
 4. Actual contract rents for specific bedroom sizes;
 5. Actual rent increases for participating households;
 6. The average time period for finding eligible housing;
 7. Rent reasonableness data;
 8. The local vacancy rate; and
 9. Prior approved rent exceptions will apply
- D. If the payment standard has decreased, the new payment standard will not be applied until the second annual reexamination after the date of the decrease in payment standard as long as the participant remains in place under the current HAP Contract and lease.
- E. Maximum Initial Rent Burden

1. Families receiving initial assistance or moving after October 1, 1999, may not pay more than forty percent (40%) of monthly adjusted income;
2. This does not apply if family stays in unit; and
3. Is applicable with each move.

F. Procedure For Evaluation

During the annual evaluation process, HHA may use the above data to determine what impact an increase in the payment standard will have on the number of families who can be assisted.

X. Owner/Landlord Responsibility for Screening Residents

A. Owner/Landlord Screening

1. Listing a family on Harrisburg Housing Authority's waiting list, or selecting a family for participation in the program, is not a representation by HHA to the owner/landlord about the family's expected behavior, or the family's suitability for tenancy. At or before HHA's approval to lease a unit, HHA must inform the owner/landlord HHA has not screened the family's behavior or suitability for tenancy and that such screening is the owner/landlord's own responsibility.
2. Owners/landlords are permitted and encouraged to screen families on the basis of their tenancy histories. An owner/landlord may consider a family's background with respect to such factors as:
 - a. Payment of rent and utility bills;
 - b. Caring for a unit and premises;
 - c. Respecting the rights of others to the peaceful enjoyment of their housing;
 - d. Drug-related criminal activity or other criminal activity that is a threat to the life, safety or property of others; and
 - e. Compliance with other essential conditions of tenancy.

B. PHA Information About Resident

1. If requested in writing, HHA must give the owner/landlord:
 - a. The family's current and prior address (as shown in HHA's records); and
 - b. The name and address (if known to HHA) of the owner/landlord at the family's current and prior address.
2. When a family wants to lease a dwelling unit, HHA may offer the owner/landlord other information in HHA's possession, about the family, including information about the tenancy history of family member, or about drug-trafficking by family members. If HHA provides additional information to item 1 above, it will have clear, written procedures describing what information will be released and how it will be provided. Only information that is either public record or first-hand knowledge by HHA may be provided. HHA's legal counsel will approve the written procedures.
3. HHA will give the family a statement of HHA's policy on providing information to owners/landlords. The statement will be included in the information packet that is given to a family selected to participate in the program.
4. HHA will limit use and disclosure of family information obtained through release and consent procedures solely for program administration purposes.

XI. Payments to Owners/Landlords

A. Controls And Accountability

1. All Housing Assistance Payments (HAP) are computed according to HUD approved formulas and schedules.
2. New contracts are dated after the units are approved and the participant has moved in.
3. Computations are reviewed before being submitted for payment.
4. A HAP register is maintained to monitor timeliness and accuracy.
5. The owner/landlord may not charge extra for items customarily included in rents in the locality or provided at no additional cost to the unsubsidized residents on the premises.

B. Move To Work (MTW) Incentives for Owners/ Landlords

1. Vacancy Loss Payment
 - a. HHA will pay landlords who sign a HAP contract, up to one month's contract rent or actual vacancy time between the end of one HAP contract ending and the other one starting.
 - b. The payments will be on a sliding scale, if the new tenant is leased up in one week, the Landlord gets a full month's contract rent, if the tenant is leased up in 2 weeks they get half a months contract rent, and if the tenant is leased up in 3 weeks or more they can get one third payment of the contract rent.
2. New Landlord Incentive
 - a. HHA will provide any new landlord who becomes part of HHA's HCV program after January 2023 a sign on bonus of one month's contract rent.
3. Landlord Renewal
 - a. HHA will provide landlords who renew a lease with their current tenant a payment of one month's contract rent after they pass the annual inspection.
4. Damage Claims
 - a. HHA will provide landlords with compensation if a tenant leaves the unit damaged
 - b. The landlord must provide proof of the cost of damages including
 - i. Pre and post inspection documentation
 - ii. Pictures
 - iii. Receipts
 - iv. Estimated cost of repair
 - v. Court documents (not required)
 - c. The security deposit will be deducted from the damage claim
 - d. Damage claim amount will be the lesser of:
 - i. The actual cost of repairs less security deposit OR
 - ii. Two months contract rent

- e. Payments will only be made after the next HAP contract is executed between HHA and the landlord

C. Basic Procedures

- 1. Annual rent increases are effective the first of the month.
- 2. Requests for payments are submitted by no later than the 3rd week of each month to insure that payments can be reviewed for accuracy and ensure payments are made in a timely manner to the owners/landlords.
- 3. Payments are made to the owners/landlords by check or automatic deposit (ACH transaction). Utility Allowance Payments (UAP's) are made directly to the utility company by HHA when applicable.

D. HAP Late Payments To Owners/Landlords

The HAP contract provides for penalties against HHA. To assess such fees, the policy and practice must meet the following criteria;

- 1. The penalties follow the generally accepted practice and law in the local housing market;
- 2. The owner/landlord charges both assisted and non-assisted residents;
- 3. The owner/landlord charges the resident for late rent payments;
- 4. Late fee will be paid from the Administrative fees income and reserve;
- 5. HHA will not be penalized for circumstances that are beyond their control;
- 6. When the HAP is mailed by HHA, it is considered received once it has been mailed (or electronically deposited by HHA); and
- 7. The first HAP of a contract is not regarded as a late payment.

XII. Annual and Interim Re-Certification

A. Annual Recertification-

Starting FY2023 HHA will be doing Bi-Annual Reexaminations as part of the MTW Program. This will be evaluated yearly .

1. Re-examination of family income and composition will be conducted at least bi-annually for families in the Housing Choice Voucher Program. However, families will be required to report any increase in their income within 10 days from the date the change occurs or risk being in violation of their HCV contract and charged back rent for any over payment by the authority. The family will be required to provide information on income, assets, allowances, deductions and family composition at least annually.
2. Families will be obligated to supply any information HHA or HUD determines is necessary for use in regularly scheduled re-examinations or an interim reexamination.
3. Families must submit consent forms for obtaining wage and claim information from Federal, State or Local agency to furnish or release to HHA such information determined necessary.
4. HHA will obtain and document in the family's file the third-party verification received or document why it is not available.
5. The bi-annual recertification date shall be the first of the month in which the contract was executed.
6. When families move to another dwelling unit, an interim recertification will be scheduled.
7. Income limits will not be used as a test for continued eligibility at recertification.
8. Re-examination Notice to the Family
 - a. HHA will maintain a re-examination tracking system for participants at least ninety (90) days in advance of their scheduled bi-annual re-examination effective date. The head of household will be notified by mail she/he is required to attend a re-examination interview on a specified date (or rescheduled in advance if the scheduled date is unacceptable).
 - b. The notice will inform the family about what documents the family must bring to the recertification interview.
 - c. If requested as an accommodation by a person with a disability, HHA will provide the notice in an accessible format.
 - d. A home visit or telephone interview may be conducted for elderly or disabled clients.

- e. If requested by an elderly or disabled client, a family representative or social service representative may assist with the process.
 - f. All family members eighteen (18) years of age or older must attend the bi-annual re-examination appointment.
 - g. A criminal background request will be conducted on household members who have turned 18 years of age between the previous annual recertification and the current year's annual recertification date.
9. Verification of Information Provided
- a. HHA will send out third-party verifications. If third-party verifications are not returned by the given deadline, documents provided by the resident may be used for verification.
 - b. HHA will follow the verification procedures and guidelines described in this Plan. Verifications for re-examinations must be less than one hundred twenty (120) days old.
 - c. Families declaring zero income may be required to execute verification forms to determine that sources of income such as; Unemployment Benefits (UEC), TANF, SSI, etc. are not being received by any member of the household. HHA may request information from the state employment office.
 - d. For families with zero income, re-examination is scheduled no less than every thirty (30) days. The family is required to provide proof of assistance by methods of contribution letter, receipts or agency confirmation.

Interim Re-Examinations

Beginning in the FY2023 HHA has changed the Interim Re-examinations under the MTW Program. This will be evaluated yearly.

All increases in income must be reported to HHA in writing within the ten (10) calendar days of the effective date of the change. An interim recertification due to decrease in income can only be requested once a year at the tenant's request and only if the decrease is 10% or more of the tenant's income. Hardship requests may be submitted if a tenant believes they need another interim recertification and they meet the qualifications listed in HHA's MTW Hardship policy. HHA will determine whether or not the change warrants an interim re-examination.

HHA will conduct interim re-examinations of the family income, composition and other eligibility factors to adjust the Total Family Contribution for the following reasons:

- 1. For families whose income cannot be projected with any reasonable degree of accuracy, special re-examinations will be scheduled not less than every ninety (90) days;

2. For families where an error was made at admissions or re-examination; the family will not be charged retroactive rent (increase) for error(s) made by HHA personnel;
3. For families whose rent was based on false or incomplete information supplied by the applicant/participant;
4. For families who requested a review due to a 10 percent decrease in income or increase in allowable expenses. Limited to once a year;
5. For families who have had their rent reduced under a previously requested re-examination;
6. For families who have added and/or deleted member(s) of their household from the original family composition, (mandatory reporting requirement to HHA);
7. For families whose income source is changed including: changing from one full time employer to another, receipt of unscheduled increase in wages, or receipt of an increase in benefits such as Social Security, SSI, TANF, Unemployment Compensation, Child Support or any other source of income.

An interim change will be effective the 1st day of the second month from the date of increase.

Families who fail to notify the HHA of an increase in household income will be charged retroactive rent to date of change.

8. For families or household members previously reporting zero income;
9. Any requirements imposed by HUD.

C. Failure to Respond To Bi-Annual of Interim Recertification Notice

1. The written notification must state which family members are required to attend the interview. The family may call to request another appointment date up to one (1) day prior to the interview.
2. If the family fails to appear for the recertification interview, and has not rescheduled or made prior arrangements with HHA, HHA may reschedule a second appointment.
3. If the family fails to appear for the second appointment and has not rescheduled or made prior arrangements, HHA may send the family notice of termination and offer them an Informal Hearing.

4. Exceptions to these policies may be made if the family is able to document an emergency situation that prevented them from canceling or attending the appointment or if requested as a reasonable accommodation for a person with a disability.
5. Participants will be mailed a maximum of two (2) scheduled re-examination appointments. Extenuating circumstances may be considered at the discretion of the HHA. The second appointment notice must be mailed immediately (within one business day of the first appointment) allowing the participant ten (10) working days for the next scheduled appointment.

D. Changes To Tenant Rent

1. When the family income information is analyzed and all other recertification requirements have been met, the Tenant Rent will be recalculated.
2. HHA will notify both the owner/landlord and resident in writing of the new rent shares.
3. Changes in Family Share at Bi-Annual Recertifications

Increases or decreases in family share are effective on the anniversary date unless the family has caused a delay in the recertification process or fails to report all income and deductions.

When the family causes a delay or fails to report, a decrease in family share will become effective the first day of the month following verification. An increase is effective retroactively to the earlier of the anniversary date or the first day of the month following the increase.

4. Changes in Family Share at Interim Recertification

An increase in family share is effective the first day of the month following a thirty (30) day notice from HHA if reported by the family within ten (10) days of the increase.

If the family has not reported the increase within ten (10) days, the increase will be retroactive to the first day of the month following the increase in income.

Decreases in family share are effective the first day of the month following verification of the reported amount of decreased income or increased deductions.

5. Increases in family share as a result of receipt of the Earned Income Disallowance (EID) will be effective the first day of the month following notification by HHA.
6. If there has been a misrepresentation or a material omission by the family, or if the family caused a delay in the re-examination processing, there will be a retroactive increase in rent to the anniversary date. At the discretion of HHA, the family may be terminated from the program.
7. If there is a rent decrease, it will be effective on the first day of the month following re-examination date (unless the family has caused a delay in re-examination processing).
8. Retroactive rent is charged when the participant has failed to provide information within the required time period.

9. Rent will be prorated when a mixed family is not eligible for continued assistance or deferral of termination; chooses not to defer termination; or is at the end of the deferral period. The total housing subsidy is calculated in the usual manner for either assistance programs, using income for all family members. Prorated assistance is calculated by multiplying the total subsidy by a fraction which shows the number of eligible family members as the top number and is divided by the number of total family members as the bottom number.

E. Requirements to Add to Family Composition

HHA is required to amend the lease when there are additions or deletions to the family composition. The following requirements pertain to family additions:

1. Minors:
 - a. The PHA will require birth certificate and social security numbers for minors. Failure to provide social security numbers will result in termination of assistance for failure to comply with program requirements.
 - b. For a parent or another person having legal custody of such individual or individuals, HHA will require one of the following documents:
 - Court-order assignment; or
 - Signed self-declaration by parent or designee; or
 - Custody Agreement filed in a court of law; or
 - Adoption papers; or
 - Verification from social service agency.
2. Persons eighteen (18) years of age or older:

When the participant requests an adult person (defined as someone 18 years of age or older) be added to the family composition, the following will be required:

- a. Photo identification, social security number, verification of income and other eligibility related requirements. The individual will be required to sign HUD form 9886 (Release of Information) and a Declaration 214;
- b. Background screening will be conducted for criminal activity prior to authorizing approval to add an adult person to family composition and HHA will determine, after receipt of the report, the acceptability of this adult member in the same manner other applicants are screened for eligibility.
- c. If the individual is found to have no criminal history background record, HHA will add the adult member to the family composition.
- d. If the individual is found to have a criminal record, HHA may deny the admission and addition to the lease of the participant.
- e. HHA will consider any violent criminal or drug-related criminal activity as grounds to deny admission, unless the individual can prove rehabilitation.

- f. Because the adult member who wished to be added has no formal relationship with HHA, she/he will not be afforded a review of the reasons for denial.
3. HHA will notify the family in writing if there is a determination to deny the addition of any family member(s). The family may appeal by requesting an Informal Hearing as outlined in this Plan.

XIII. Termination Of Assistance

A. Basic Policy

The PHA may terminate assistance for a family because of the family's action or failure to act. The PHA will provide families with a written description of the family obligations under the program, grounds under which the PHA can terminate assistance and the informal hearing procedures.

B. The PHA May Terminate Assistance of the Family for the Following Reasons

1. Any family member is engaged in a drug-related criminal activity, violent criminal activity, violent criminal activity or other criminal activity.

Drug-Related Criminal Activity means: the illegal use or possession for personal use, manufacture, sale or distribution, or the possession with intent to manufacture, sell or distribute a controlled substance (as defined in the Controlled Substance Act.).

Violent criminal activity includes any criminal activity includes any 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.

2. Any family member is engaged in the abuse of alcohol to the extent that the abuse interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

Abuse of alcohol includes behavior or a pattern of behavior of any Section 8 program participant and any family member and/or guest that as a result of the abuse of alcohol interferes with the health, safety or right of peaceful enjoyment of the premises by other residents.

3. Harrisburg Housing Authority may not terminate assistance for such use or possession by a family member, if the family member can demonstrate that he/she:
 - a. Has an addiction to a controlled substance, has a record of such impairment, or is regarded as having such an impairment; and
 - b. Is recovering or has recovered from such an addiction and does not currently use or possess controlled substances. In this instance, Harrisburg Housing Authority shall require the family to submit evidence of participation in or successful completion of a treatment program as a condition of continued assistance for the family or to allow the affected family member to reside in the assisted units.

4. As a measure to determine whether the person has violated this family obligation, one of the following situations must be present:
 - a. There has been an arrest for engaging in drug-related criminal activity or violent criminal activity (as defined above) or other criminal activity, including criminal activity by any family member, which resulted in a conviction within the past twelve (12) months; or
 - b. There must have been an arrest within the prior twelve (12) months for engaging in drug-related criminal activity or violent criminal activity (as defined above) including criminal activity by any family member, which did or did not result in a conviction within the past sixty (60) months; or
 - c. The family has been evicted from federally-assisted housing in the last five (5) years (see 24 CFR Sec. 982.552) for engaging in drug-related criminal activity or violent criminal activity (as defined above) including criminal activity by any family member;
 - d. Drug-related or criminal activity in, on or near the premises by any tenant, household member, or guest and any such activity engaged in or on the premises by any other person in the tenant's control; and
 - e. Harrisburg Housing Authority has acquired/been presented with the preponderance of evidence that the family, including any family member is engaging in drug-related criminal activity or violent criminal activity or other criminal activity or alcohol abuse, regardless of whether the family member has been arrested or convicted for such activity.
5. Families who are guilty of program abuse or fraud in any Federal Housing Assistance program. (This presupposes that the program abuse or fraud is substantiated).
6. Families who have violated one of their family obligations.
7. Families who have committed fraud by failing to report accurate household income as required by CFR 982.516.
8. Families whose Total Family Contribution is sufficient to pay the full gross rent and where 180 days has elapsed since the HHA's last HAP payment was made.
9. Families whose appropriate household members do not provide their Social Security information and documentation within the time required and specified by HHA.
10. Families who fail to comply with HUD requirements for assistance to non-citizens.
11. Income limits are solely used to determine eligibility for initial applicants. Income limits are not a consideration for termination of assistance once the family is under lease and contract and already "on the program".

12. If a participant signs an agreement with an owner/landlord to pay for the owner/landlord to repair resident-caused HQS fail items, and the participant fails to repay the owner/landlord pursuant to said agreement, assistance may be terminated.
13. If a household member is fleeing to avoid prosecution, or custody or confinement after prosecution for a crime that is a felony under the law of the placed from which the individual flees, or in some states is a high misdemeanor; or violating a condition of probation or parole imposed under State of Federal Law. Note: In New Jersey, a felony is called a high misdemeanor. Therefore, a person fleeing New Jersey to another state is not eligible for public housing.
14. If a family member has violated or is violating a condition of probation or parole imposed under Federal or State Law.
15. If any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

C. Family Self-Sufficiency (FSS) Participants

Harrisburg Housing Authority will not deny or terminate the Section 8 assistance if a family fails to comply with the Contract of Participation. However, HHA may take the following action against a Family Self-Sufficiency family:

1. Withhold Supportive Services
 - a. If the family has repeatedly failed to comply with the requirements of the Contract of Participation and/or other rules outlined in the FSS Action Plan, HHA will withhold supportive services.
 - b. The family will be notified of the action to be taken.
2. Recommend probation or terminate the families' participation in the FSS Program.
 - a. If after counseling and negotiating with the family, they still fail to comply with the Contract of Participation, HHA will inform the family of the action to be taken (probation or termination of their participation in the FSS Program)
 - b. The family will have ten (10) days to request an informal hearing. HHA will conduct the hearing and inform the family within ten (10) days of the hearing of their final decision.
3. Withholding of the Escrow Account

If a family fails to comply with the Contract of Participation and they are terminated from participation in the FSS Program or they leave the program before completion, the escrow account will be withheld according to current regulations.

D. Zero Housing Assistance

1. If the participant's income increases, resulting in a zero housing assistance payment and the participant is paying the entire contract rent; the participant shall be considered over-income after six (6) consecutive months of zero housing assistance payments. The family will be notified that the zero housing assistance is available for six (6) months. At that time, if there have been no changes which reflect the ability for HHA to provide monetary assistance on the contract, the contract and the family's assistance will be terminated.
2. This determination does not preclude the family from asking to terminate assistance immediately, nor does it impact any rights under the lease.
3. Families whose assistance is terminated under this instance will have to reapply for assistance when HHA is accepting applications.

E. Unreported Household Income

If the family is being terminated from participation as a result of failing to report accurate household income as permitted by CFR 982.516, HHA will:

- Provide a 30-day notice of termination of participation in the HHA administered housing assistance program;
- Offer the family an opportunity for an Informal Hearing;
- Calculate the amount of overpayment of subsidy as a result of the unreported income;
- Provide the family with an invoice requesting repayment of the full amount of the overpaid subsidy within a 30-day period;
- Place the debt for collection if the overpayment is not paid within 30 calendar days.

XIV. Utility Allowances

- A. The Utility Allowance Schedule is used to determine how much credit the assisted family will be given for estimated utility cost. If the family pays for some or all utilities, the Section 8 Office will provide the family with a utility allowance. The allowances are based on actual rates and average consumption.
- B. The utility allowance is given as a reduction in the resident's portion of rent to be paid to the owner/landlord. The Total Family Contribution is reduced by the utility rate since the last revision.
- C.. HHA's Section 8 Office will review the Utility Allowance annually and adjust if there is a ten percent (10%) or more change in the utility rate since the last revision.
- D. Approved utility allowance schedules(s) are provided to families at the briefing sessions when the family receives initial or continued assistance.
- E. The utility allowance for a family will be the lower of (1) The utility allowance amount for the family unit size; or (2) The utility allowance amount for the unit size of the unit rented by the family.
- F. Upon Request a family that includes a person with disabilities, the PHA will approve a utility allowance higher than the applicable amount if such a higher utility allowance is needed as a reasonable accommodation in accordance with HUD's regulations in 24 CFR part 8 to make the program accessible to and usable by the family member with a disability.
- G. Allowanced will be established for families who supply the range and refrigerator.
- H. HHA has eliminated utility reimbursements for when utility allowances are greater than the Total Tenant Payment.

XV. Portability

The term "portability" refers to the process of leasing a dwelling unit with tenant-based housing voucher assistance outside of the jurisdiction of the PHA that initially issues the family its voucher. The PHA that initially issues the family its voucher is termed as the "initial PHA". As the initial PHA, we will follow the portability requirements of 24 CFR 982.353-355 and 982.553-555 and any subsequent regulations, notices, memos or directives from HUD regarding the administration of portability under Section 8. The jurisdiction of HHA is geographically defined as the city of Harrisburg/County of Dauphin/State of Pennsylvania.

Starting in FY2023 HHA has changed some of the portability rules with Project Based Vouchers (PBV) as part of the MTW Program. This will be evaluated yearly.

A. Outgoing Housing Choice Vouchers (Port Out)

A housing choice voucher becomes an "outgoing housing choice voucher" when the family holding the voucher decides to and is approved by the initial PHA to seek housing outside the jurisdiction of the initial PHA.

1. Section 8 waiting list applicants who are residents in HHA's jurisdiction may elect to exercise their option to use the portability feature of their housing assistance when first leasing.
2. Section 8 waiting list applicants, who reside in areas outside of the initial PHA jurisdiction (defined above), **must** utilize their assistance within the jurisdiction for at least twelve (12) months before being able to relocate to another jurisdiction.
3. Family Self-Sufficiency (FSS) program participant(s) **must** reside in the jurisdiction for at least twelve (12) months.
4. FYI TPV program participant(s) must reside in the jurisdiction for at least twelve (12) months.
5. Participants may not port-out if they are in violation of family obligations or if they owe a balance due to HHA relative to the Section 8 or Public Housing programs.
6. A family transferring to a jurisdiction outside the initial PHA is subject to redetermination of eligibility based on the income limits of the receiving PHA.
7. A participant family moving to another unit within the initial PHA's jurisdiction is not subject to redetermination of eligibility based on the income limits.
8. HHA will notify the family in writing if HHA is denying the family portability.

9. HHA will deny portability for the following:
 - If the funds are unavailable to port family to an area where a higher subsidy amount would be paid because of higher payment standards or more generous subsidy standards.
 - If lease has expired
 - If family owes HHA money
 - If family's assistance is pending termination
 - If family's annual gross income is more than the receiving PHA's income limit for the family size.

10. When a family is allowed to move to another jurisdiction under portability, as the initial PHA we will:
 - a. Contact the Receiving PHA on behalf of the family and obtain information for tenant
 - Contact address and phone numbers
 - Income Limits
 - Subsidy Standards
 - Payment Standards
 - Any procedures related to appointments for voucher issuance the receiving PHA shared with the initial PHA
 - b. Send (mail or fax) to the Receiving PHA the following information:
 - Copy of Housing Choice Voucher issued
 - Form HUD-52665 Part 1 completed
 - Most recent Form HUD-50058 for the family and related verification information, including EIV information

11. Only the Initial PHA can grant an extension of a Voucher.

Subsequent Moves and Portability

24 CFR 982-314 (e) (1) provide that, at any time, HHA may deny permission to move if the PHA does not have sufficient funding for an increase in assistance. For instance, a PHA has the authority to deny a family's request to move under the portability procedures to a unit in another jurisdiction that would require HHA to pay a higher subsidy cost for the same family's assistance if HHA determines it does not have sufficient funding available under their current calendar year budget to accommodate such a move and the receiving PHA will not absorb the family into its own program.

B. Receiving PHA (see 24 CFR 982.355)

If a family moves within the jurisdiction of this PHA under portability, and the initial PHA that issued the voucher has contacted us in accordance with regulation, we will make a decision to either bill the initial PHA for assistance on behalf of the portable

family or to absorb the family into our program. We will then be termed as the receiving PHA for the portable family.

1. The receiving PHA we will provide assistance to porting families unless the family has breached its obligations.
2. As the receiving PHA, we will screen portable families using the established admission criteria only if the family is not a current participant in the tenant-based program. If screening results in denial or termination of assistance, as the receiving PHA we will notify the initial PHA.
3. Portability admissions are counted against the initial PHA's income targeting requirement (75% of extremely low-income admissions), unless the receiving PHA absorbs the family (24 CFR 982.201).
4. As the receiving PHA, we will issue the Voucher within two weeks. As the receiving PHA we cannot extend the term of the voucher. Voucher extension shall be obtained in writing from the initial PHA by the family.
5. As the receiving PHA, we will refuse to issue a Voucher if the family fails to comply with the requests for information and documentation to be supplied to the PHA.

C. Controls and Accountability

Initial PHA Responsibility

As the initial PHA, we will comply with the following responsibilities:

1. The initial PHA will complete Part 1 of the form HUD-52665, Family Portability Information and mail or fax the completed form to the receiving PHA along with:
 - a. A copy of the family's voucher issued by the initial PHA
 - b. A current copy of the family's form HUD-50058, Family Report (for applicant, provide family and income information in a similar format as a 50058 Family Report has not been completed), and
 - c. Copies of the income verification supporting the information of the form, including EIV data.
 - d. Provide deadline date for receiving initial billing from receiving PHA (date must be not later than 60 days following the expiration date of the family voucher issued).
2. If billing is not received from the receiving PHA by the deadline, as the initial PHA we will contact the receiving PHA to:
 - a. Determine the status of the family.

- b. Inform the receiving PHA that we will not accept any subsequent billing on behalf of the family.

XVI. Moves with Continued Tenant-Based Assistance

A. Eligibility to Move

A participating family is eligible to move if any of the following occur.

1. The assisted lease for the old unit has terminated. This includes a termination because:
 - a. The PHA has terminated the HAP contact for the owner's/landlord's breach; or
 - b. The lease has terminated by mutual agreement of the owner/landlord and the resident; or
 - c. The lease expired and either the owner/landlord or resident decided not to renew.
2. The owner/landlord has given the resident a notice to vacate, or has commenced an action to evict the resident, or has obtained a court judgment or other process allowing the owner/landlord to evict the resident.
3. The resident has given proper notice of lease termination after the 1st of the year.

B. When a Family Can and Cannot Move

1. A participant family may move one time with continued assistance under the program, either inside the jurisdiction or under the portability procedures during any one-year period. (See 24 CFR Sec. 982.353 and Sec. 982.314).
2. The family may not move during the initial term of the lease. (See CFR Sec. 982.314)
3. The PHA may deny a request to move for the following reasons:
 - a. The participant intentionally causes the unit to fail housing quality standards;
 - b. The participant owes HHA a balance due; and
 - c. The participant has violated a family obligation.
4. Failure to provide at least thirty (30) days notice may result in termination of assistance.
5. Agreement to Remain in Occupancy.
 - a. If the family does not locate a new dwelling they may be required to submit an "Agreement to Remain in Occupancy".

- b. The assisted tenancy may be extended for any period of time mutually agreed upon by the owner/landlord and resident.
 - c. Absence of the Agreement to Remain in Occupancy and HAP payments and the HAP contract may terminate at the end of the thirty (30) day Notice to Move issued by the tenant.
6. A family may receive a voucher from a PHA and move to another jurisdiction under the tenant-based assistance program if the family has complied with all other obligations of the Section 8 program and has moved out of the assisted dwelling unit in order to protect the health and safety of an individual who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.

C. Notice of Family Move

- 1. The Owner is permitted to require the family give a termination notice of any lease-specified minimum length. (See 24 CFR Sec. 982.309)
- 2. If the family terminates the lease with proper notice to the owner/landlord, the family must give the PHA a copy of the notice at the same time.
- 3. If the family wants to move to a new unit that is located outside the initial PHA jurisdiction, the notice to the PHA must specify the area where the family wants to move.

XVII. Family Break-Up

A. PHA Discretion

1. HHA has discretion to determine which members of an assisted family continue to receive assistance in the program if the family breaks up.
2. The decision to determine who continues to receive the assistance will be made by the Housing Choice Voucher Program Director.

B. Criteria

The factors to be considered in making this decision may include:

1. Whether the assistance should remain with family members remaining in the original assisted unit;
2. The interest of minor children or of ill, elderly or disabled family members;
3. Whether family members are forced to leave the unit as a result of actual or threatened physical violence against family members by a spouse or other member of the household; or
4. Other factors specified by the PHA.

C. Court Orders

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, HHA is bound by the court's determination of which family members continue to receive assistance in the program.

D. Remaining Member Of Tenant Family

1. The Section 8 office may assist an individual left in an assisted housing unit who may or may not otherwise qualify for assistance under their own circumstances.
2. A single adult (whether elderly or non-elderly, disabled or non-disabled, children in residence/household or no children present) may become the head of household.
3. A live-in aide will not be considered a remaining member of the resident family by definition.

4. A minor child/children will/will not be allowed to retain status of remaining family member(s) unless:
 - a. The court has awarded emancipated minor status to the minor; or
 - b. An income eligible court appointed or legal guardian moves into the unit with the minor child/children).

5. If both parents must leave the household and the Department of Social Services and/or the Juvenile Court has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the Section 8 office will treat that adult as a visitor for sixty (60) days.
 - a. After that period, the Section 8 office will determine whether court awarded custody or legal guardianship has been granted to the caretaker.
 - b. If so, the assistance will be transferred to the caretaker.

XVIII. Absence From Unit

A. Time Limits

1. The family may be absent from the unit for brief periods. Generally, the family may not be absent from the unit for a period of more than sixty (60) consecutive calendar days.
2. Generally, the housing assistance payments terminate if the family is absent for longer than sixty (60) days. The term of the HAP contract and assisted lease also terminate.
3. The President may approve an absence of up to 180 consecutive calendar days for extraordinary reasons, such as military leave.
4. Absence means that no member of the family is residing in the unit.
5. The owner/landlord must reimburse HHA for any housing assistance payments for the period after termination.

B. Verifications

1. The family must supply any information or certification requested to verify that the family is residing in the unit.
2. The family must promptly notify HHA of absence from the unit, including any information requested on the purpose of family absences.
3. HHA will accept the following to verify family occupancy or absence, letters to the family at the unit, phone calls, visits or questions to the landlord or neighbors.

XIX. Admission Of Live-In Aide Or Foster Children

A. Live-In Aide

1. HHA will permit the live-in aide to reside with a disabled family as long as the live-in aide meets the criteria for the definition of Live-In Aide (see the Definitions section of this Plan).
2. In the case where a live-in aide is arrested at or near the premises of the Section 8 participant for drug-related or violent criminal activity, HHA shall advise the Section 8 participant that the live-in aide cannot be housed with the participant.
3. HHA will not be required to wait until conviction of the live-in aide, but will use the criteria of preponderance of the evidence.
4. None of the above mentioned procedures precludes the Section 8 owner/landlord from taking action to initiate a termination for good cause.

B. Foster Children

1. Foster children will be allowed as additions to the household if the anticipated length of stay is at least six (6) months.
2. Documentation from the Department of Public Health and Social Services agency responsible for placement must be provided prior to the placement of the child/children, except in cases of emergency.
3. If the participating family requires a larger size unit, it will be issued as soon as possible.

XX. Program Integrity

A. Investigation of Suspected Abuse and Fraud

HHA will initiate an investigation of a participating family in the event of one or more of the following circumstances:

1. Referrals, Complaints or Tips. HHA 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 family is in non-compliance with, or otherwise, violating the lease or any other 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 participant's file. Anonymous complaints will be investigated if the information received contains specific allegations that can be independently verified. If the anonymous complaint is not specific, the information will be retained in files, but will not be used to initiate investigations.
2. Internal File Review. A follow-up will be made if HHA staff discovers (as a function of a certification or re-certification, an interim redetermination, or a quality control review), information or facts that conflict with previous file data, HHA's knowledge of the family, or is discrepant with statements made by the family.
3. Verification or Documentation. A follow-up will be made if HHA receives EIV/UIV verification, independent verification or documentation that conflicts with representations in the family's file (such as public record information, or credit bureau report, or reports from other agencies).

B. Steps to Detect Program Abuse and Fraud

1. Quality Control File Reviews. On a random basis an appropriate number of participant files will be reviewed for accuracy and completeness. Such reviews will be completed by a knowledgeable staff member who was not directly involved in the processing of that applicant/participant file. Such reviews shall include, but are not limited to:
 - a. Assurance that verification of all income and deductions is present;
 - b. Changes in reported Social Security Numbers or dates of birth are noted;
 - c. File documents are authentic;
 - d. Ratio between reported income and expenditures is accurately computed;
 - e. Review of signatures for consistency with previously signed file documents;
2. The PHA staff (to include inspection personnel) will maintain high awareness of circumstances that may indicate program abuse or fraud, such as unauthorized

persons residing in the household and indications of unreported income. The observations will be documented in the family's file.

3. Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:
 - a. If at the time of the final eligibility determination the information provided by the applicant conflicts with information obtained through outside sources or third-party verifications.
 - b. When an allegation is received by HHA wherein unreported income sources are disclosed.
 - c. When participant's expenditures exceed his/her reported income, and no plausible explanation is given.

C. Handling of Allegations of Possible Abuse and Fraud

HHA will review allegations that contain one or more independently verifiable facts.

1. An internal file review will be conducted to determine:
 - a. If the subject of the allegation is a Section 8 participant and, if so, to determine if the information reported has been previously disclosed by the family.
 - b. It will then be determined if HHA is the most appropriate authority to do a follow-up (more so than police or social service). Any file documentation of past behavior, as well as corroborating complaints, will be evaluated.
2. 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 will initiate an investigation to determine if the allegation is true or false.

D. Investigations of Allegations Of Abuse and Fraud

If HHA determines that an allegation or referral warrants follow-up, the staff person who is responsible for the file will conduct the investigation. The steps taken will depend upon the nature of the allegation and may include the items listed below. In all cases, HHA will secure the written authorization from the resident for the release of information.

1. Credit Bureau Inquiries (CBI). In cases involving previously unreported income sources, a CBI may be made to determine if there is financial activity that conflicts with the reported income of the family.

2. 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.
3. Employers and Ex-Employers. Employers or ex-employers may be contacted to verify wages that may have been previously undisclosed or misreported.
4. Neighbors/Witnesses. Neighbors and/or other witnesses may be interviewed if it is believed that they have direct or indirect knowledge of facts pertaining to the HHA's review.
5. Other Agencies. Investigators, caseworkers or representatives of other benefit agencies may be contacted.
6. Public Records. If relevant, HHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage and divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal record.
7. Interviews with Head of Household or Other Family Members. HHA will discuss the allegation (or details thereof) with the head of household or family member by scheduling an appointment at HHA's 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, accusations, or any unprofessional conduct or language be tolerated by the management. If possible, an additional staff person will attend such interviews.

E. Evidence And Statements Obtained By The PHA

Documents and other evidence obtained by the PHA during the course of an investigation will be kept in the participant's file, or in a separate "work file".

F. Evaluation Of The Findings

If it is determined that a program violation has occurred, HHA will review the facts to determine:

1. The type of violation (procedural, non-compliance, fraud);
2. Whether the violation was intentional or unintentional;
3. What amount of money (if any) is owed by the participant;
4. If the family is eligible for continued participation.

G. Action Procedure For Violations Which Have Been Documented

Once a program violation has been documented, HHA will propose the most appropriate remedy based upon the type and severity of the violation.

1. Procedural Non-Compliance. This category applies when the participant “fails to” observe a procedure or requirement of HHA, but does not misrepresent a material fact, and there is no retroactive payments owed by the family.
 - a. Examples of Non-Compliance Violations are:
 - Failure to appear at a pre-scheduled appointment;
 - Failure to return verification in the time period specified by HHA.
 - b. 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 HHA if the procedure or obligation is not complied with by the date specified by HHA;
 - The consequences of repeated (similar) violations.

2. Procedural Non-Compliance – Retroactive Payments. When the family owes money to HHA for failure to report changes in income or assets, HHA will issue a Notification of Overpayment. This notice will contain the following:
 - a. A description of the violation and the date(s)
 - b. Any amounts owed to HHA;
 - c. A ten (10) business day’s response period;
 - d. The right to disagree and to request an informal hearing with instructions for the request of such hearing.
 - Participant Fails to Comply with HHA’s Notice. If the participant fails to comply with HHA’s notice, and a material provision of the lease has been violated, HHA will initiate termination of tenancy.
 - Participant Complies with HHA’s Notice. When a participant complies with the HHA’s notice, the staff person responsible will meet with him/her to discuss and explain the program provision that was violated. The staff person will complete a participant counseling report, give one copy to the family and retain a copy in the participant’s file.

H. **Misrepresentations**

When a participant falsifies, misstates, omits, or otherwise, misrepresents a material fact which results (or would have resulted) in an underpayment of participant's share, HHA will evaluate whether or not the participant had knowledge that his/her actions were wrong, and the participant willfully violated the lease or the law.

1. Knowledge that the action or inaction was wrong. This will be evaluated by determining if the participant was made aware of program requirements and prohibitions. The participant's signature on various certifications, briefing certificate, Personal Declaration and Things You Should Know are adequate to establish knowledge of wrong-doing.
2. The participant willfully violated the law. Any of the following circumstances will be considered adequate to demonstrate willful intent:
 - An admission by the participant of the misrepresentation;
 - 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;
 - The participant omitted material facts which were known to him/her (e.g., employment of self or other household members);
 - The participant falsified, forged or altered documents;
 - The participant uttered and certified to statements at a rent determination or re-determination, which were later independently verified to be false.

I. **The Participant Conference For Serious Violations And Misrepresentations**

When HHA has established that material misrepresentation(s) has occurred, a Participant Conference will be scheduled with the family representative and HHA staff person who is most knowledgeable about the circumstances of the case.

This conference will take place prior to any proposed action by HHA. The purpose of such conference is to review the information and evidence obtained by HHA with the participant, and to provide the participant an opportunity to explain any documented findings which conflict with representations in the participant's file. Any documents or mitigating circumstances presented by the participant will be taken into consideration by HHA. The participant will be given five (5) business days to furnish any mitigating evidence.

A secondary purpose of the Participant Conference is to assist HHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed actions, HHA will consider:

- The duration of the violation and number of false statements;
- The participant's ability to understand the rules;

- The participant's willingness to cooperate and to accept responsibility for his/her actions regarding the amount of money involved;
- The participant's past history;
- Whether or not criminal intent has been established.

J. Disposition Of Cases Involving Misrepresentation

In all cases of misrepresentation involving efforts to recover monies owed, HHA may pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

1. Criminal Prosecution: If HHA has established criminal intent, and the case meets the criteria for prosecution, HHA will refer the case to the local State of District Attorney, notify HUD's Regional Inspector General for Investigations (RIGI), and terminate rental assistance.
2. Administrative Remedies: HHA will terminate assistance and demand payment of restitution in-full.
3. PHA Legal Action: If restitution is not made within thirty (30) days and \$2,500 or more dollars are owed to HHA due to participant fraud; HHA will seek restitution through legal judicial channels.
4. Continued Assistance: Contingent upon full lump-sum restitution or minimal term repayment plan and warning that repeat of the offense will result in immediate termination of assistance.

K. Notification To Participant Of Proposed Action

1. HHA will notify the resident, by pre-paid first class mail, of the proposed action no later than three (3) business days after the Participant Conference.
2. All notices will advise the family of their right to an informal hearing.

XXI. Informal Hearings And Reviews

A. Definitions

1. “Informal Review”. A review of HHA’s decision on an applicant’s application for participation in the Section 8 Housing Choice Voucher Program in accordance with the procedures outlined below.
2. “Informal Hearing”. A hearing regarding a decision affecting a participating family in the Section 8 Housing Choice Voucher Program in accordance with the procedures outlined below.
3. “Informal Review Officer”. A person designated to informally review a decision concerning an application for participation and give his/her decision.
4. “Informal Hearing Officer”. A person designated to conduct an informal hearing concerning a participant and gives his/her decision.

B. Procedures For Informal Review

1. HHA shall give an applicant written notice of a decision denying assistance or a decision denying listing on the waiting list within ten (10) calendar days from the date of the decision.
2. The notice shall contain a brief statement of the reason(s) for the decision, that the applicant may submit a signed written request for an informal review of the decision if he/she disagrees with the decision, and that the request must be made within (10) calendar days from the date of the notice, and that the applicant should keep proof of making the request.
3. HHA may or may not conduct an informal review if the applicant fails to submit his/her request within the time stipulated. If the request is not submitted timely, it shall mean that the applicant waived his/her right to request an informal review.
4. Reasonable accommodations shall be made for applicants who are disabled.
5. HHA shall conduct an informal review, provided the applicant submits a proper request for an informal review within the time allowed.
6. Informal Review Officer
 - a. HHA shall designate any person or persons as the review officer(s). The power to designate any person or persons as review officer(s) shall rest with HHA.

- b. The person or persons designated as the review officers shall not be the person who made or approved the decision under review or a subordinate of such person.

7. The Informal Review

- a. The proceedings of the review shall be informal and confined to factors relating to program eligibility and a determination of whether the decision denying assistance to the applicant is justified or not.
- b. HHA shall notify the applicant of the date, the time, and the place where the informal review will be held at least a week prior to the date of the review.
- c. The applicant shall have the right to present his objections either orally or in writing.
- d. A representative of the Section 8 Department may be present.

8. The Decision

- a. The review officer or officers shall decide whether the decision denying assistance to the applicant was justified and according to the Federal regulations and rules of HHA.. This final decision shall be given within seven (7) calendar days from the date of the review.
- b. HHA shall promptly notify the applicant in writing of the final decision, and a brief statement of the reasons for the final decision.

9. Informal Reviews Are Not Required For Established Policies And Procedures And Determinations Such As:

- a. Discretionary administrative determinations;
- b. General Policy issues or class grievances;
- c. A determination of the family unit size under the subsidy standards;
- d. Refusal to extend or suspend a Voucher;
- e. Disapproval of a lease;
- f. Determination that a unit is not in compliance with HQS;
- g. Determination that a unit is not in accordance with HQS due to family size or composition.

C. Procedures For Informal Hearing

- 1. HHA will provide participants with the opportunity for an Informal Hearing for decisions related to any of the following determinations:
 - a. Termination of assistance;
 - b. Determination of the family's annual or adjusted income and the calculation of the housing assistance payment;
 - c. Family unit size determination under the subsidy standards;

- d. Determination to terminate assistance for any reason;
 - e. Notice of Determination to pay an owner/landlord claim for damages, unpaid rent or vacancy loss.
2. Informal Hearings are not required for established policies and procedures such as:
- a. Discretionary administrative determinations;
 - b. General Policy issues or class grievances;
 - c. Establishment of the schedule of utility allowances;
 - d. Determination not to approve an extension or suspension of a voucher term;
 - e. Determination not to approve a unit or lease;
 - f. Determination that an assisted unit is not in compliance with HQS (HHA must provide a hearing for family breach of HQS because that is a family obligation determination);
 - g. Determination that the unit is not in accordance with HQS because of the family size;
 - h. Determination to exercise or not exercise any right or remedy against the owner/landlord under a HAP contract.
3. Notice To Participant
- a. When decisions are made, HHA shall give the participant prompt written notice of the decision made.
 - b. The written notice shall contain a brief statement of the reasons for the decision, and a statement that if the participant does not agree with the decision, she/he may request an informal hearing on the decision within ten (10) calendar days from receipt of the notice.
 - c. HHA may or may not conduct an informal hearing if the participant does not request an informal hearing within the time stipulated. If the request is not submitted timely, it shall mean that the participant waived his/her right to request an in formal hearing.
4. The Hearing Officer
- a. HHA will designate any person or persons as hearing officer or hearing officers to conduct the informal hearing. The power to designate a hearing officer shall rest solely with HHA.
 - b. The hearing officer can be any person other than a person who made or approved the decision under review, or a subordinate of such person.
5. Rights Of The Participant
- a. The participant can either appear in person at the hearing, or can be represented by a lawyer or other representative at his/her own expense.

- b. The participant shall have the right to present evidence, both oral and documentary, without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- c. The client shall have the right to arrange for an interpreter to attend the hearing, at the client's expense.

6. Rights Of Harrisburg Housing Authority

- a. HHA can be represented by a lawyer, or any other representative in the informal hearing.
- b. HHA can introduce evidence, both oral and documentary, without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- c. HHA shall have the right to question any witness examined in the informal hearing and to make final submissions.

7. The Informal Hearing

- a. The hearing officer will regulate the conduct of the hearing in accordance with hearing procedures commonly accepted and followed.
- b. If the participant who requested the informal hearing fails to appear at the hearing on the date set for hearing without any request for an adjournment on strong grounds, the matter will be decided by the parties that are present, or dismissed immediately with no right for its restoration. The hearing officer may or may not allow an application for adjournment.
- c. The participant will begin his/her case by introducing documents it relies on and by taking oral testimony of witnesses in support of his/her contention.
- d. HHA will then begin its defense by introducing documents it relies on and by taking oral statements from witnesses, if necessary, in justification of its decision.
- e. The participant and HHA will then close their cases and make final submissions, if they choose to, prior to the decision.

8. The Decision

- a. The hearing officer will consider the evidence introduced by the parties and give such evidence due weight.
- b. Factual determinations relating to the individual circumstances of the participant shall be based on the evidence presented at the hearing.
- c. The decision shall be in writing and based on the facts established, HUD regulations, HHA policy and the applicable law.
- d. The decision shall clearly state the reason on which the decision is arrived.
- e. A copy of the decision shall be furnished promptly to the participant.

D. Hearing and Appeal Provisions for “Restrictions on Assistance to Non-Citizens”

1. Assistance to the family may not be delayed, denied or terminated on the basis or immigration status at any time prior to the receipt of the decisions on the CIS appeal.
2. Assistance to a family may not be terminated or denied while the HHA hearing is pending but assistance to an applicant may be delayed pending the PHA hearing.
3. CIS Determination
 - a. If a family member claims to be an eligible immigrant and the CIS SAVE system and manual search do not verify the claim, HHA notifies the applicant or participant within ten (10) days of their right to appeal to the CIS within thirty (30) days or to request an informal hearing with HHA either in lieu of or subsequent to the CIS appeal.
 - b. If the family appeals to the CIS, they must give HHA 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 HHA for good cause.
 - c. The request for a HHA hearing must be made within fourteen (14) days of receipt of the notice offering the hearing or, if an appeal was made to the CIS, within fourteen (14) days of receipt of that notice.
4. After receipt of a request for an informal review/hearing, the review/hearing is conducted as described in section D. 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 member(s) HHA will:
 - a. Deny the applicant;
 - b. Defer termination if the family is a participant and qualifies for deferral;
 - c. Terminate the participant if the family does not qualify for a deferral.
5. If there are eligible members in the family, HHA will offer to prorate assistance or give the family the option to remove the ineligible member(s).
6. All other complaints related to eligible citizens/immigrant status:
 - a. If any family member fails to provide documentation of 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.
 - b. Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
 - c. 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 Family Contribution.

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

E. Mitigating Circumstances for Applicants/Participants with Disabilities

- 1. When applicants are denied placement on the waiting list, or HHA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.
- 2. Examples of mitigating circumstances are:
 - a. A person with a cognitive disorder may not have understood the requirement to report increases in income;
 - b. A person may not understand the need to make regular repayments on a promissory note;
 - c. Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

XXII. Repayment Agreement

A. Guidelines for Establishing the Agreement

1. A Repayment Agreement is a document entered into between HHA and a person who owes a debt to HHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of repayment, special provisions of the agreement and the remedies available to HHA upon default of the agreement.
2. HHA must establish the maximum length of time it will allow for a repayment agreement with a family and an initial payment required to execute a repayment agreement.
 - The repayment agreement must be executed within 15 days of the date of family notification of debt to HHA.
 - The Section 8 Office will set up the monthly payment amount of the Repayment Agreement.
 - HHA has established a one-year repayment period.
 - HHA has established a minimum payment of 10% of the total debt owed to execute repayment agreement.
 - HHA has established the monthly payment as the remaining balance of the debt, less the initial payment divided by 11 months.

B. Late Payments

1. 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 the close of the next business day.
2. If the family's repayment agreement is in arrears, HHA will:
 - Require the family to pay the balance in full within 30 days.
 - Pursue civil collection of the balance due.
 - Terminate the assistance if the balance is not paid.

C. Repayment Agreements Effecting Transfer Requests

1. If the family requests a voucher to transfer to another unit and has a repayment agreement, and the repayment agreement is not in arrears, the family will be required to pay the balance, in full prior to the unit transfer.
2. If the family requests a voucher to transfer to another unit, and is in arrears on a repayment agreement, the family will be required to pay the balance in full or have their assistance terminated.

3. No voucher will be issued for a transfer until the debt is paid in full, unless the move is the result of the following causes, and the repayment agreement is current:
 - Family size exceeds the maximum occupancy standards;
 - A natural disaster;
 - Verified evidence of family violence/spousal or child abuse;
 - Protection of witnesses to violent crime as verified by a law enforcement agency or District Attorney;
 - Victim of hate crimes.

E. Ineligibility for Repayment Agreements

- 1 If the Section 8 Office determines that the family committed willful and intentional fraud, the Section 8 Office will require the family to repay the entire amount in-full or have their assistance terminated.

F. Owner/Landlord Fraud and Program Abuse

1. When the Section 8 Office determines that the owner/landlord has retained Housing Assistance Payments the owner/landlord was not entitled to, the Section 8 Office may reclaim the Housing Assistance Payment amount from future Housing Assistance Payment owed the owner/landlord.
2. If future Housing Assistance Payments owed is insufficient to recover the amount to be reclaimed, the additional amount(s) will be referred to the local collection agency.
3. The Section 8 Office will use Chapter 9 of HUD Guidebook 7420.10G as a guide in dealing with owner/landlord fraud and program abuse, which may include barring the owner/landlord from participating in the Section 8 Housing Choice Voucher Program.

H. Prior Debts Owed To PHA

If a family owes money to the PHA or any other housing authority from a prior occupancy:

- The PHA will not enter into a repayment agreement; and
- Will require the family to repay the amount, in-full, prior to admission; or
- Will require payment in-full and withhold admission for three (3) years from the date the debt was incurred if the family was evicted for drug-related or violent criminal activity.

XXIII. Miscellaneous

A. **Fee for Photocopying Documents:**

Beginning November 1, 2012, a fee of 25¢ a page will be charged for photocopying documents previously mailed to tenants and property managers.

The fees collected for photocopying will be tracked by the HCV Program Director and funds will be submitted to Central Office the last day of each month. The fees will be considered as non-Federal funds.

In addition and effective immediately, our office will be unable to provide participants with copies of previously submitted eligibility documents which include birth certificates and social security cards.

XXIV. Administrative Reserve (formerly operative reserve) Expenditures Statement

Administrative Fee Reserves

Harrisburg Housing Authority maintains an administrative fee reserve for the Section 8 Program. HHA credits to the administrative fee reserve the total of:

- The amount by which program administrative fee paid by HUD for a fiscal year exceed HHA's program expenses for the fiscal year, plus
- Interest earned on the administrative fee reserve

A. Required Use for Program Administration

1. The Administrative Fee Reserve must first be used to pay Section 8 administrative costs that exceed earned administrative fees for a fiscal year.
2. Projected administrative fees and Administrative Fee Reserve must cover all projected costs of program administration through the remaining ACC terms.

B. Permitted Use for Other Housing Purposes

Administrative Fee Reserve funds may be expended for other housing purposes consistent with the State and local law. If HHA anticipates that ongoing fees will not be sufficient for ongoing administrative cost through its ACC terms, an appropriate amount must be retained in the Administrative Fee Reserve for projected administrative cost.

C. Board of Commissioners Approval for Administrative Fee Reserve Expenditures

1. The Board of Commissioners shall establish a threshold for the amount of annual expenditures which may be made from the Administrative Fee Reserve for other housing purposes without prior approval of the Board.
2. For Administrative Fee Reserve expenditures that exceed the Board threshold, the HHA Board, as part of its approval, must make an affirmative determination that the expenditures are necessary and reasonable for the other purposes consistent with State and local law.

Glossary

Acronyms Used in Subsidized Housing:

ACC	Annual Contribution Contract
BR	Bedroom
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations commonly referred to as “the regulations”. The CFR is the compilation of Federal rules which are first published in the Federal Register and define and implement statute.
CPI	Consumer Price Index. CPI is published monthly by the Department of Labor as an inflation indicator.
CR	Contract Rent
EBL	Elevated Blood-Lead Level
EIV	Enterprise Income Verification
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FICA	Federal Insurance Contributions Act - Social Security taxes
FMHA	U.S. Department of Rural Development (formerly Farmers Home Administration)
FMR	Fair Market Rent
FSS	Family Self-Sufficiency
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
GFC	Gross Family Contribution (has replaced the term Total Tenant Payment).
GR	Gross Rent

HA	Housing Agency
HAP	Housing Assistance Payment
HAP Plan	Housing Assistance Plan
HCDA	Housing and Community Development Act
HCVP	Housing Choice Voucher Program
HHA	Harrisburg Housing Authority
HQS	Housing Quality Standards
HUD	The U.S. Department of Housing and Urban Development
HURRA	Housing and Urban/Rural Recovery Act of 1983
HV	Housing Voucher
IG	Inspector General
IGR	Independent Group Residence
IPA	Independent Public Accountant
IRA	Individual Retirement Account
MSA	Metropolitan Statistical Area established by the U.S. Census Bureau
PHA	Public Housing Authority
PMSA	A Primary Metropolitan Statistical Area established by the U.S. Census Bureau
PS	Payment Standard
QHWRA	Quality Housing and Work Responsibility Act
QC	Quality Control
RFTA	Request for Tenancy Approval
SEMAP	Section 8 Management Assessment Program
SRO	Single Room Occupancy

SSMA	Standard Statistical Metropolitan Area (replaced by MSA)
TFC	Total Family Contribution
TR	Tenant Rent
UA	Utility Allowance
UAP	Utility Allowance Payment

Definitions

Housing Choice Voucher Program

Absorption: In portability, the point at which the receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

Accessible

1. When used with respect to the design, construction or alteration of a facility or a portion of a facility **other than** an individual dwelling unit means that the facility or portion of the facility when designed, constructed or altered, can be approached, entered and used by individuals with physical disabilities. The phrase “accessible to and usable by” is synonymous with accessible.
2. 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, altered or adapted, can be approached, entered, and used by individuals with physical disabilities.

A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR, Part 8, 8.32 is “accessible” within the meaning of this paragraph 2.

When a unit in an existing facility, which is being made accessible as a result of alterations, is intended for use by a specific qualified individual with disabilities (e.g., a current occupant of such unit or of another unit under the control of the same recipient, or an applicant on a waiting list), the unit will be deemed accessible if it meets the requirements of applicant standards that address the particular disability or impairment of such person.

Accessible Route

A continuous unobstructed path connecting accessible elements and spaces in a building or facility that complies with the space and reach requirements of applicable standards prescribed by 24 CFR, Part 8, Section 8.32.

An accessible route that serves only accessible units occupied by persons with hearing or vision impairments need not comply with those requirements intended to effect accessibility for persons with mobility impairments.

Adaptability The ability of certain elements of a dwelling unit, such as kitchen counters, sinks and grab bars, to be added to, raised, lowered or otherwise altered, to accommodate the needs of persons with or without disabilities, or to accommodate the needs of persons with different types or degrees of disability.

For example, in a unit adaptable for a hearing-impaired person, the wiring for visible emergency alarms may be installed, but the alarms need not be installed until such time as the unit is made ready for occupancy by a hearing-impaired person.

Adjusted Income

The family's Annual Income less the following allowances, determined in accordance with HUD regulations:

1. \$480 for each dependent child or disabled child;
2. \$400 for any Elderly Family;
3. Disabled Assistance Expenses in excess of three percent (3%) of Annual Income may be deducted for any family that has a member other than head of household or spouse who is disabled and is 18 years of age or older. The allowance may not exceed the employment income received by the disabled household member.
4. For any Elderly or Disabled Family;
 - a. That has no disability assistance expenses, an allowance for Medical Expenses, equal to the amount by which the Medical Expenses exceed three percent (3%) of the Annual Income;
 - b. That has Disability Assistance Expenses greater than or equal to three percent (3%) of Annual Income, an allowance for Disability Assistance expenses computed in accordance with paragraph 3, above, plus an allowance for medical expenses that is equal to the Family's Medical Expenses;
 - c. That has Disability Assistance Expenses that are less than three percent (3%) of Annual Income, an allowance for combined Disability Assistance and Medical Expenses, that is equal to the amount by which the sum of these expenses exceeds three percent (3%) of Annual Income, and
5.
 - a. Childcare Expenses; or
 - b. In the case of families assisted by Indian housing authorities, the greater of:
 - (1) Childcare expenses; or
 - (2) Excessive travel expenses, not to exceed \$25 per family per week, for employment or education related travel.

Admissions The effective date of the first HAP contract for a family (first day of initial lease term) in a resident-based program. This is the point when the family becomes a participant in the program.

Annual Contributions Contract (ACC)

A contract under the Housing Act of 1937, as amended, between HUD and the PHA, containing the terms and conditions under which the Department assists the PHA in providing decent, safe and sanitary housing for low-income families.

The ACC must be in a form prescribed by HUD, under which HUD agrees to provide assistance in the development, modernization, and/or operation of a low-income housing development under the Act, and the PHA agrees to develop, modernize and operate the development in compliance with all provisions of the ACC and the Act, and all HUD regulations and implementing requirements and procedures.

A written agreement between HUD and a PHA to provide annual contributions to the PHA to cover housing assistance payments and other expenses pursuant to the Act.

Annual Income

1. Annual Income means all amounts, monetary or not, which:
 - a. Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
 - b. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
 - c. Which are not specifically excluded in this section.
 - d. Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

2. Annual Income includes, but is not limited to:
 - a. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services;
 - b. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
 - c. Interest, dividends and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness and an allowance for depreciation of capital assets shall not be used as deductions in determining the net income. An

- allowance for depreciation is permitted only as authorized in the paragraph immediately above this paragraph. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Where 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;
- d. 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, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided under Annual Income exclusions);
 - e. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see the paragraph on lump sum additions to family assets, below);
 - f. Welfare Assistance. If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities, and such amount is subject to adjustment by the Welfare Assistance agency in accordance with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
 - (1) The amount of allowance or grant exclusive of the amount specifically designated for shelter utilities, plus
 - (2) The maximum amount that the Welfare Assistance Agency could in fact allow the family for shelter and utilities. If the family's Welfare Assistance is reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.
 - g. Periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from persons not residing in the dwelling.
 - h. All regular pay, special pay and allowances of a member of the Armed Forces (but see paragraph below, on special pay to an Armed Forces person exposed to hostile fire).
3. Annual Income does not include the following (Exclusions):
- a. Income from the employment of children (including foster children) under the age of 18 years;
 - b. Payment 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);

- c. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and Workers' Compensation), capital gains and settlement for personal or property losses (but see the paragraph on payment in lieu of earnings, above).
- d. Amounts received by the family that is specifically for, or in reimbursement of the cost of medical expenses for any family member;
- e. Income of a Live-In Aide, as defined in the regulations, who is a person who resided with an Elderly, Disabled Person or Persons and who;
 - (1) Is determined to be essential to the care and well-being of the Person(s);
 - (2) Is not obligated for the support of the Person(s); and
 - (3) Would not be living in the unit except to provide the necessary supportive services.
- f. The full amount of student financial assistance paid directly to the student or to the educational institution;
- g. The special pay to a Family member serving in the Armed Forces who is exposed to hostile fire;
- h. Amounts received under training programs funded by HUD;
- i. Amounts received by a person with a disability that are disregarded for a limited time, for purposes of Supplemental Security Income eligibility and benefits, because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); or
- j. Amounts received by a participant in other publicly assisted programs which are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- k. A resident service stipend. A resident service stipend is 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;
- l. Incremental earnings and benefits to any family member resulting from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as 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;
- m. Temporary, non-recurring or sporadic income (including gifts);
 - n. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
 - o. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
 - p. Adoption assistance payments in excess of \$480 per adopted child;
 - q. Deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment, or in prospective monthly amounts;
 - r. 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;
 - s. Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;
 - t. 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, including the following:
 - (1) The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977. [7 United States Code (USC) §2017(b)];
 - (2) Payment to volunteers under the Domestic Volunteer Service Act of 1973 [42 USC §5044(g), §5058];
 - (3) Payments received under the Alaska Native Claims Settlement Act. [43 USC § 1626(c)];
 - (4) Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes. [24 USC § 459(e)];
 - (5) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program. [42 USC § 8624(f)];
 - (6) Payments received under programs funded in whole or in part under the Job Training Partnerships Act. [29 USC § 1552(b)];
 - (7) Income derived from the disposition of funds of the Grand River Band of Ottawa Indians. [Public Law (P.L.) 94-540, 90 Stat. 2503-2504];
 - (8) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims [25 USC § 1407-1408), or from

- funds held in trust for an Indian tribe by the Secretary of the Interior. [25 USC § 117b, 1407];
- (9) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs [20 USC § 1087uu]. Since Pell Grants are funded under Title IV, PHA's should exclude the FULL value of any Pell Grant. These changes are effective 10-01-1992;
 - (10) Payments received from programs funded under Title V of the Older Americans Act of 1965. [42 USC § 3056(f)];
 - (11) Payments received on and after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the "In Re Agent Orange product" liability litigation. [M.D.L. No. 381 (E.D.N.Y.)];
 - (12) Payments received under the Maine Indian Claims Settlement Act of 1980. [P.L. 96-420, 94 Stat, 1785];
 - (13) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 [42 USC § 9858(q)]. This change was effective November 4, 1992.
 - (14) Earned Income Tax Credit (EITC) refund payments received after January 1, 1991. [USC § 32(j)];
 - (15) Deferred Periodic Payments of Social security and Supplemental Security Income (SSI) received after October 28, 1992. This lump sum payment may represent the accumulation of periodic payments from a preceding period. Collections activity on deferred periodic payments regardless of when they were received. See Notice PIH-93-11 issued March 16, 1993;
 - (16) Holocaust reparations received after April 23, 1993. {42 USC § 1437(a), § 1437(d), § 1437(n) and § 3535(d)}.
4. If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period may be annualized, subject to a redetermination at the end of the shorter period.

Applicable Surface

All intact and non intact interior and exterior painted surfaces of a residential structure (with reference to lead-based paint poisoning prevention).

Applicant

Applicant (or applicant family). A family that has applied for admission to a program, but is not yet a participant in the program.

Assisted Lease

A written agreement between an owner/landlord and a Family for the leasing of a dwelling unit by the owner/landlord to the Family under a Housing Assistance Contract between the owner/landlord and the PHA.

In the case of cooperative or mutual housing, “lease” means the occupancy agreement or other written agreement establishing the conditions for occupancy of the unit.

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 or activities receiving Federal financial assistance.

For example, auxiliary aids for persons with impaired vision may include readers, Brailled materials, audio recordings, and other similar services and devices.

Auxiliary aids for persons with impaired hearing may include telephone handset amplifiers, telephones compatible with hearing aids, telecommunication devices for deaf persons (TDD’s), interpreters, note takers, written materials and other similar services and devices.

Child

A member of the family, other than the family head or spouse, who is under 18 years of age.

For continued assistance under Restrictions on Assistance to Non-citizen only: biological or adopted children only. Stepchildren (not related to either the head of the household or the spouse) and guardianship of minors (either formal or informal) are excluded.

Child Care Expenses

Amounts anticipated being paid by the Family for the care of children under thirteen (13) years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a Family member to be gainfully employed to actively seek employment, or to further his or her education, and only to the extent such amounts are not reimbursed.

The amount deducted shall reflect reasonable charges for child care, and in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of income.

Reasonable child care expenses, as defined by the PHA, shall not exceed the actual costs incurred.

Citizen

A citizen (by birth or naturalization) or a national of the United States.

Codes Includes building codes, housing codes, health and safety codes, sanitation codes and any law, ordinance or governmental regulation concerning fitness for habitation, or the construction, maintenance, operation, occupancy or use of a dwelling unit.

Common Space
Space available for use by assisted families and other occupants of the unit.

Consolidated ACC
Consolidated annual contributions contract. See § 982.151.

Contiguous MSA
In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

Continued Assistance Family
This is a mixed family who meets all the following requirements:
1. The family was receiving assistance under a Section 214 covered program on June 19, 1995 and
2. Whose head of the household or spouse has eligible immigration status according to the requirements of the restrictions on assistance to non-citizen, and
3. The family does not include any person (who does not have eligible immigration status) other than:
• The head of household;
• Any spouse of the head of the household;
• Any parents of the head of the household;
• Any parents of the spouse;
• Any children of the head of the household or spouse
This does not define “family” for purposes of eligibility at the PHA (see “Family” in this Definition Section.

A family entitled to continued assistance before November 29, 1996 is entitled to continued assistance as described in the above paragraph. A family entitled to continued assistance after November 29, 1996 shall receive prorated assistance as described in Section 5.520.

Continuously Assisted
An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

Contract Rent

The total amount of rent specified in the housing Assistance Payment (HAP) Contract as payable to the owner/landlord by the Family, and by HUD or the PHA on the Family's behalf.

The monthly rent which an owner/landlord is entitled to receive for the leasing of a Manufactured Home Space to an Assisted Family, including any separate fees or charges. This rent includes the maintenance services described in the definition of Manufactured Home Space, but excludes ongoing utility charges. Separate fees or charges for services or facilities not included in the definition of Manufactured Home Space shall be included in the Contract Rent only if their payment is required as a condition of the leasing of the Manufactured Home Space. In the case of a cooperative Manufactured Home park, "Contract Rent" means the charges under the occupancy agreements between the members and the cooperative.

Contract of Participation

A contract in a form approved by HUD, entered into between a participating family and a PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The contract of participation includes all individual training and services plans entered into between the PHA and all members of the family who elect to participate in the FSS program, and which plans are attached to the contract of participation as exhibits.

Controlled Substance

Any drug or other substance, or immediate, precursor included in the definition in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

Dating Violence

The term "dating 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; (iii) the frequency of interaction between the persons involved in the relationship.

Decent, Safe and Sanitary Housing

Housing is decent, safe and sanitary if the requirements of 982.401 are met (Housing Quality Standards).

Defective Paint Surface

Paint on applicable surfaces that is cracking, scaling, chipping or loose (with reference to lead-based paint poisoning prevention).

Dependent

A member of the Family household (except foster children and foster adults) other than Family head or spouse, who is under 18 years of age or is a person with a disability, or is a full-time student.

Deposit

Means an amount of currency or an instrument delivered to the owner/landlord by the resident as a pledge to abide by terms or conditions of the rental agreement.

Dilapidated Housing

See the definitions of Substandard Housing.

Disability Assistance Expenses

Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and 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 or Family

A person or family whose head, spouse, or sole member is a person with disabilities; or two (2) or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides. A person who is under a disability, as defined in Section 233 of the Social Security Act (42 U.S.C. 423), or 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)).

1. Inability to engage in any substantial, gainful activity by reasons of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted or can be expected to last for a continuous period of not less than 12 months; or
2. In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in the Social Security Act), inability by reason of such blindness to engage in substantial gainful activity in which he/she has previously engaged with some regularity and over a period of time.

People who have been diagnosed with alcoholism or drug abuse are not part of the definition of “disabled”.

Discriminatory Housing Practice

Any act that is unlawful under Section 804, 805, 806 or 818 of the Fair Housing Act.

Displaced Person or Family

A person or 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. (See also the definition of Involuntary Displacement. See 24 CFR, Part Subpart A, Section 5.420).

Domestic Violence

The term “domestic violence” includes felony or misdemeanor crimes of violence committed by a current or former spouse, by a person with whom the victim shares a child in common, by a person who 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.

Domicile

The legal residence of the household head or spouse as determined in accordance with State and local law.

Drug Abuse and Other Criminal Activity Definitions

1. Adult Drug-Related and Criminal Activity – A person who is 18 years of age or older or has been convicted of a crime as an adult under any federal, state or tribal law.
2. Covered Person – A tenant, any member of the tenant’s household, a guest or another person under the tenant’s control.
3. Currently Engaging in Illegal Use of a Drug – With respect to behavior such as illegal use of a drug, other drug-related criminal activity, or other criminal activity, currently engaging in, means that the individual has engaged in the behavior recently enough to justify a reasonable belief that the individual’s behavior is current.
4. Drug – A controlled substance as defined in Section 102 of the Controlled Substance Act.
5. Drug Abuse Treatment Facility – An entity: (a) that holds itself out as providing and provides, diagnosis, treatment, or referral for treatment with respect to illegal drug use’ and (b) that is either an identified unit within a general care facility, or an entity other than a general medical care facility.

Drug-Trafficking

The illegal manufacture, sale or distribution, or the possession with intent to manufacture, sell, or distribute, of a controlled substance (as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802)).

Dwelling

Any building, structure or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure or portion thereof.

Dwelling Unit

A single unit of residence for a family of one or more persons. Examples of dwelling units include: a single family home; an apartment unit within an apartment building; and in other types of dwelling in which sleeping accommodations are provided, but bathroom or cooking facilities are shared by occupants of more than one room or portion of the dwelling, rooms in which people sleep. Examples of the latter include dormitory rooms and sleeping accommodations in shelters intended for occupancy as a residence for homeless persons.

Earned Income

Earned income means income or earnings included in annual income from wages, tips, salaries, other employee compensation and self-employment (see 24 CFR 5.609). Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS family and the PHA entered into the contract of participation.

Effective Date of Contract

Effective date of contract of participation means the first day of the month following the month in which the FSS family and the PHA entered into the contract of participation.

Elderly Person

A person who is at least 62 years of age. Allowance for medical expenses may be allowed for persons who are elderly but not disabled.

Elderly Household

A household whose head and/or spouse is considered elderly by definition. Allowance for medical expenses may be allowed for all persons who reside in the household.

Elevated Blood Lead Level

Excessive absorption of lead, that is, a confirmed concentration of lead in whole blood of 25 ug/dl (micrograms of lead per deciliter of whole blood) or greater.

Employer Identification Number

The taxpayer identifying number of an individual, trust, estate, partnership, association, company, or corporation that is assigned pursuant to Section 6011 (b) of the Internal Revenue Code of 1986, or corresponding provisions of prior law, or pursuant to Section 6109 of the Code. The Employer Identification Number has nine digits separated by a hyphen as follows: 00-0000000.

Enrollment Enrollment means the date that the FSS family entered into the contract of participation with the PHA.

Entrance Any access point to a building or portion of a building used by residents for the purpose of entering.

Eviction Means any action initiated by the owner/landlord to regain possession of a dwelling unit and use of the premises.

Evidence of Citizenship of Eligible Immigration Status

The documents which must be submitted to evidence citizenship or eligible immigration status.

Exterior All areas of the premises outside of an individual dwelling unit.

Extremely Low-Income Families

Families with income below thirty percent (30%) of the area median and household of various races and ethnic groups- within the Quality Housing Work Responsibility Act (QHWRA).

Facility All or any portion of building, structures, equipment, roads, walks, parking lots, rolling stock or other real or personal property or interest in the property.

Fair Housing Act

Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3600-3620).

Fair Market Rent

The rent, including utilities (except telephone and TV cable), and all maintenance, management and other services, which would be required to be paid in order to

obtain privately owned, existing, decent, safe and affordable rental housing of modest (non luxury) nature with suitable amenities in the market area.

Fair Market Rents are used by PHAS in the Housing voucher Program to develop the payment standard used to determine the appropriate amounts of housing assistance to be paid on behalf of participating families.

The rent which would be required to be paid in order to obtain a privately owned, decent, safe and affordable Manufactured Home Space of a modest nature. This rent included maintenance and management services described in the definition of Manufactured Home Space for single-wide and double-wide Manufactured Home Spaces. Rents for double-wide spaces will be permitted for Assisted Families of five (5) or more persons so long as the Manufactured Home meets the minimum occupancy standards for families. Fair Market Rents will be established by HUD and will be published in the Federal Register.

Familial Status

One or more individuals (who have not attained the age of 18 years) being domiciled with:

1. A parent or another person having legal custody of such individual or individuals; or
2. The designee of such parent or other person having such custody, with the written permission of such parent or other person.

The protections afforded against discrimination on the basis of familial status apply to any person who is pregnant, or is in the process of securing legal custody of any individual who has not attained the age of eighteen (18) years.

Family

“Family included, **but is not limited to:**

1. Two (2) or more persons who intend to share a residency whose income and resources are available to meet the family’s needs and who have a history as a family unit or have evidence of a stable relationship for at least one year if not legally married. Evidence of a “stable relationship” may include any of the following: birth certificate of the children, joint tax returns, prior lease, joint bank accounts, insurance policies, informal marriage certificates or equivalent documentation.
2. A group of persons living together, related by blood, marriage or operation of law;
3. A common-law husband or wife, as recognized under State law;
4. A child who is temporarily away from home because of placement in foster care is considered a member of the family. This provision only pertains to the foster child’s temporary absence from the home, and is not intended to artificially enlarge the space available for other family members;
5. An elderly person;
6. A disabled person;

- 7. A displaced person;
- 8. The remaining member of a resident family; and
- 9. A single person who is not an elderly or displaced person or a person with disabilities, or the remaining member of a resident family.

Family Income

Means Monthly Income as defined in HUD regulations, i.e., using Annual Income divided by 12.

Family Self-sufficiency

Family Self-Sufficiency Program or FSS Program means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by Section 23 of the U.S. Housing Act of 1937.

Family Share

In the voucher program, the portion of the rent to owner paid by the family. It is calculated by subtracting the amount of the housing assistance payment to the owner from the rent to owner. Same as Tenant Rent. Family share will only equal TFC when rent to owner includes all utilities and is equal to or less than the payment standard.

Family Unit Size

The appropriate number of bedrooms for a family. Family unit size is determined by the PHA subsidy standards.

Former Federal Preferences (24 CFR Sec. 982.207)

The PHA may implement the following former Federal preferences as Local Preferences:

- 1. Working families (head or spouse);
- 2. Families including a person with a disability
- 3. Victims of domestic violence;
- 4. Single persons who are elderly, displaced, homeless or a person with disabilities; and
- 5. Provide the same benefit to families whose head and spouse, is either 62 or older or a person with disabilities (if the PHA adopts local preference for working families).

FSS Account

FSS Account means the FSS escrow account authorized by Section 23 of the U.S. Housing Act of 1937, and as provided by § 984.305 of this part.

FSS Credit FSS credit means the amount credited by the PHA to the participating family's FSS account.

FSS Family FSS family or participating family means a family that receives assistance under the rental voucher programs, and that elects to participate in the FSS Program, and whose designated head of the family has signed the contract of participation.

FSS Related Service Program

Means any program publicly or privately sponsored, that offers the kinds of supportive services described in the definition of "supportive services" set forth in 24 CFR § 984.

FSS Slots FSS Slots refer to the total number of rental vouchers that comprise the minimum size of a PHA's Section 8 FSS Program.

First Occupancy

A building that has never before been used for any purpose.

FMR Fair Market Rent, defined in 24 CFR 982.4.

Full-Time Student

A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with a diploma or certificate program, as well as an institution offering a college degree.

Good Faith Means honesty in fact, in conduct of the transaction concerned, as evidenced by all surrounding circumstances.

Gross Rent The total monthly cost of housing an eligible Family, which is the sum of the Contract Rent and any Utility Allowance. In the case of rental of only a manufactured home space, Gross Rent also includes the Family's monthly payment to amortize the purchase price of the manufactured home.

Ground Floor

A floor of a building with a building entrance on an accessible route. A building may have more than one ground floor.

Guest A person temporarily staying in the unit with the consent of the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

HA A housing authority, both a public housing agency and an Indian housing authority.

Handicap/Disability

With respect to a person, a physical or mental impairment which substantially limits one or more such person's major life activities; a record of having such an impairment, or being regarded as having such an impairment.

This term does not include current, illegal use of or addiction to a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

For the purpose of 24 CFR Part 100, Discriminatory Conduct under the Fair Housing Act, an individual shall not be considered to have a disability solely because that individual is a transvestite (a person, especially a male, who dresses in the clothing of the opposite sex for psychological reasons).

Handicapped/Disabled Assistance Expenses

Reasonable expenses that are anticipated during the period for which Annual Income is computed for attendant care and 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.

Handicapped/Disabled Person (included under "Disabled")

A person having a physical or mental impairment that:

1. Is expected to be of long-continued and indefinite duration;
2. Substantially impedes the person's ability to live independently; and
3. Is of such a nature that such ability could be improved by more suitable housing conditions.

Has a Record of Such Impairment

As used in the definition of Disability, means has a history of, or has been classified as having, a mental or physical impairment that substantially limits one or more major life activities.

Head of Household

The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

Homeless

Homeless means as the term is defined in 42 U.S. C. 113.02.

In General – For purposes of this Act, the term “homeless” or “homeless individual or homeless person” includes (1) an individual who lacks a fixed, regular, and adequate nighttime residence; and (2) an individual who has a primary nighttime residence that is : A) supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill; B) an institution that provides a temporary residence for individuals intended to be institutionalized; or C) a public or private place not designated for, or ordinarily used as, a regular sleeping accommodations for human beings.

Income Eligibility – In general – a homeless individual shall be eligible for assistance under any program provided by this Act, only if the individual complies with the income eligibility requirements otherwise applicable to such programs.

Exclusion – For purposes of this Act, the term “homeless” or “homeless individuals” does not include any individual imprisoned or otherwise detained under an Act of Congress or a State law.” (42 U.S.C. 11302)

Home-Visit (telephone interview)

When applicants/participants are unable to physically come into the PHA’s office due to age or medical condition, a home-visit or telephone interview can be done to gather the information needed to either complete an application for housing or for annual recertification. Verifications needing signature can be mailed to the individual or other arrangements can be made at the PHA’s discretion.

Housing Agency (PHA)

Any State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or to assist in the development or operation of low-income housing. For the purposes of 24 CFR, Part 942, Resident Participation and Management in Public Housing, the term Public Housing Agency does not include Indian Housing Authorities. As used in 24 CFR, Part 965, Subpart E, Resident Allowance for Utilities, PHA includes Indian Housing Authority.

Housing Assistance Payment

The monthly assistance payment by a PHA. The total assistance payment consists of:

1. A payment to the owner/landlord for rent to owner/landlord under the family’s lease.
2. An additional payment to the family if the total assistance payment exceeds the rent to the owner/landlord. In the voucher program, the additional payment is called a “utility reimbursement”.

Housing Assistance Payment Contract (HAP)

A written contract between the PHA and an owner/landlord in the form prescribed by HUD headquarters, for the purpose of providing housing assistance payments to the owner/landlord on behalf of an Eligible Family.

Housing Quality Standards (HQS)

The HUD minimum quality standards for housing assisted under the resident-based programs.

Housing Choice Voucher Program

The statutory merger of the Section 8 tenant-based certificate and voucher programs into the new Housing Choice Voucher program and makes other amendments to other provision of the interim rule published on May 14, 1999.

Housing Voucher Contract

A written contract between a PHA and an owner/landlord, in the form prescribed by HUD for the Housing Voucher Program, in which the PHA agrees to make housing assistance payments to the owner/landlord on behalf of an Eligible family.

Housing Voucher Holder

A family that has an unexpired housing voucher.

HUD

The Department of Housing and Urban Development or its designated officer or employee.

HUD Local Office

Any HUD Office which has been delegated authority under the U.S. Housing Act of 1937 to perform functions pertaining to the area in which the PHA is located.

Income Limits

HUD establishes Very Low-Income and Low-Income limits that are used to determine if assisted housing program applicants qualify for admission to HUD-assisted programs. These income limits are based on HUD estimates for area median family income (using Metropolitan Statistical Areas of Primary Metropolitan Statistical Areas as defined by the Office of Management and Budget (OMB), and the Bureau of the Census definition of family) with specific statutorily permissible adjustments. If the income limits based on this approach would be less than if based on the relevant State non-metropolitan median family income level, income limits are based on the State non-metropolitan family income level.

Independent Group Residence

1. A dwelling unit for the exclusive residential use of two to twelve elderly or disabled individuals (excluding live-in Resident Assistant(s) if any), who are not capable of living independently, and who require a planned program of continual supportive services.
2. Individuals residing in an Independent Group Residence and receiving Section 8 assistance shall not require continual medical or nursing care, and shall be ambulatory or not confined to a bed continuously, and must be capable of taking appropriate actions for their own safety under emergency conditions.

Individual Lease Shared Housing

The type of Shared Housing in which the PHA enters into a separate HAP Contract for each assisted Family residing in a Shared Housing unit.

Individual Training Services Plan

Means a written plan that is prepared for the head of the FSS family, and each adult member of the FSS family who elects to participate in the FSS program, by the PHA in consultation with the family member, and which sets forth:

1. The supportive services to be provided to the family member;
2. The activities to be completed by that family member; and
3. The agreed upon completion dates for the services and activities. Each individual training and services plan must be signed by the PHA and the participating family member, and is attached to, and incorporated as part of the contract of participation. An individual training and services plan must be prepared for the head of the FSS family.

Individual with Disability

A person having a physical or mental impairment that (a) is expected to be of long-continued and indefinite duration, (b) substantially impedes the person’s ability to live independently, and (c) is of such a nature that such ability could be improved by more suitable housing conditions.

Initial Contract Rent

The contract rent at the beginning of the initial lease term.

Initial PHA

In portability, the term refers to both:

1. A PHA that originally selected a family that subsequently decides to move out of the jurisdiction of the selecting PHA.
2. A PHA that absorbed a family that subsequently decides to move out of the jurisdiction of the absorbing PHA.

Initial Lease Term

The initial term of the assisted lease. The initial lease term is at least one year. At the PHA’s discretion, the lease term may be shorter than one year.

INS

The U.S. Immigration and Naturalization Services. Now renamed U.S. Citizenship and Immigration Services (CIS).

Interior

The spaces, parts, components or elements of an individual dwelling unit.

Interim Re-examinations

An adjustment to the Total Family Contribution that occurs during the course of the year. HHA requires the reporting of changes in household income or family composition within 10 days of the occurrence. If the HHA determines that an adjustment is necessary prior to annual recertification, it is defined as an interim re-examination.

Is Regarded as Having an Impairment

As used in the definition of Disability, means:

1. Has a physical or mental impairment that does not substantially limit one or more major life activities, but that is treated by another person as constituting such a limitations;
2. Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or
3. Has none of the impairments defined under the definition of “physical or mental impairment,” below, but is treated by another person as having such an impairment.

Jurisdiction

The area in which the PHA has authority under State and local law to administer the program.

Lead Based Paint

A paint surface, whether or not defective, identified as having a lead content greater than or equal to one microgram of lead per square centimeter (one centimeter is slightly more than three-eighths of an inch).

Lease

1. A written agreement between an owner/landlord and a resident for the leasing of a dwelling unit to the resident. The lease established the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP Contract between the owner/landlord and the PHA.

2. In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement established the conditions for occupancy of the member's cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the PHA.

Lease Addendum

In the lease between the resident and the owner/landlord, the lease language required by HUD.

Live-In Aide

A person who resides with one or more elderly persons or near-elderly persons, or persons with disabilities, and who:

1. Is determined by the PHA to be essential to the care and well-being of the person or persons;
2. Is not obligated for support of the person or persons; and
3. Would not be living in the unit except to provide necessary supportive services. (See the definition of Annual Income for treatment of Live-In Aide's income).

Local Preference

1. A preference used by the PHA to select among applicant families.
2. PHA can not deny or otherwise penalize a family solely because the family resides in public housing.

Low Income Family

A family who's 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. 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-income family.

Major Life Activities

As used in the definition of Disability, means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

Manufactured Home

A structure, with or without a permanent foundation, which is built on a permanent chassis, is designed for use as a principle place of residence, and meets

the HUD Housing Quality Standards set forth in 24 CFR, Part 8, Sections 882.109 and 887.473.

Manufactured Home Space

The space, leased by an owner/landlord to an Assisted Family, on which the Manufactured Home owned and occupied by the Family, is located. The space shall include all maintenance and management services necessary for decent, safe and sanitary housing, such as maintenance of utility lines, garbage and trash collection, and maintenance of roads, walkways and other common areas and facilities.

Marriage Marriage certified by a formal marriage license, or an informal marriage, as may be specified in State or local laws or regulations.

Medical Expenses

Medical expenses, including medical insurance premiums that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. (Medical expenses are allowable only for Elderly or Disabled Families.)

Minor A person who is under the age of legal competence, unless otherwise determined by State law.

Mixed Family A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Monthly Adjusted Income

One-twelfth of Adjusted Income.

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, including Puerto Rico, the U.S. Virgin Islands, Guam, Canal Zone, etc.

Net Family Assets

1. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home-ownership programs.
2. The value of necessary items of personal property, such as furniture and automobiles shall be excluded.
3. In cases where a trust fund has been established and the trust is not revocable by or under the control of any member of the Family or household, the value of the trust fund will not be considered an asset so

- long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income.
4. In determining Net Family Assets, the Authority shall include the value of any assets disposed of by an applicant or resident for less than fair market value, including a disposition in trust, but not in a foreclosure or bankruptcy sale, during the two (2) years preceding the date of application for the program or re-examination as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or resident received important consideration not measurable in dollar terms.

Non-citizen A person who is neither a citizen nor a national of the United States

Normal Wear and Tear

Means deterioration which occurs, based upon the use for which the rental unit is intended, without negligence, carelessness, accident, abuse or intentional damage of the premises, equipment or chattels of the owner/landlord by the resident, members of the resident’s household, or by his/her invitees or guests. However, uncleanliness does not constitute normal wear and tear.

Owner/Landlord

Any person or entity, including a cooperative, having the legal right to lease or sublease a unit to a participant.

Participant A family that has been admitted to the PHA program, and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

Payment Standard

In the voucher program, an amount used by the PHA to calculate the housing assistance payment for a family. Each payment standard amount is based on the fair market rent. The PHA adopts a payment standard for each bedroom size and for each fair market rent is in the PHA jurisdiction. The payment standard for a family is maximum monthly subsidy payment.

Person Includes one or more individuals, corporations, partnerships, associations, labor organizations, legal representative, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in cases under Title 11 of the United States Code, receivers, and fiduciaries.

PHA Jurisdiction

The area in which the PHA is not legally barred from entering into Housing Assistance Contracts.

Physical or Mental Impairment

As used in the definition of Disability, includes:

1. Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affective one or more of the following body systems: Neurological; musculoskeletal; special sense organ; respiratory, including speech organs; cardiovascular; reproductive; digestive; Genitourinary; hemic and lymphatic; skin; and endocrine; or
2. Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

The term “physical or mental impairment” includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, Human Immunodeficiency Virus infection, mental retardation, emotional illness, drug addiction (other than addiction caused by current, illegal use of a controlled substance) and alcoholism.

Portability Renting a dwelling unit with Section 8 resident-based assistance outside the jurisdiction of the initial PHA.

Preference Over Single Persons

An applicant that is a one or two person elderly, disabled or displaced family must be given a preference over an applicant that is a single person who is not an elderly, displaced person, or a person with disabilities.

Premises The building or complex in which the dwelling unit(s) is located, including common areas and grounds.

Public Housing Agency (PHA)

Any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or to assist in the development or operation of low-income housing.

Public Use Areas

Interior or exterior rooms or spaces of a building that are made available to the general public. Public use may be provided at a building that is privately or publicly owned.

Qualified Individual with Disabilities

1. With respect to employment, an individual with disabilities who, with reasonable accommodation, can perform the essential functions of the job in question; and
2. With respect to any non-employment program or activity which requires a person to perform services or to achieve a level of accomplishment an Individual with Disabilities who meets the essential eligibility requirements and who can achieve the purpose of the program or activity without modifications in the program or activity that the recipient can demonstrate would result in a fundamental alteration in its nature; or
3. With respect to any other non-employment program or activity, an Individual with Disabilities who meets the essential eligibility requirements for participation in, or receipt of benefits from that program or activity.

Essential eligibility requirements include stated eligibility requirements, such as income, as well as other explicit or implicit requirements inherent in the nature of the program or activity, such as requirements that an occupant of multifamily housing be capable of meeting the recipient’s selection criteria, and be capable of complying with all obligations of occupancy with or without supportive services provided by persons other than the recipient.

Reasonable Accommodation

Means making alterations or adaptation to provide access to otherwise qualified individuals with disabilities, in the use of the program and families without causing undue hardship or substantially altering the program or activity.

Reasonable Rent

A rent to owner/landlord that is not more than either:

1. Rent charged for comparable unit sin the private unassisted market; or
2. Rent charged by the owner/landlord for a comparable assisted or unassisted unit in the building or premises.

Residency Preference 24 CFR Section 982.207

Eliminates the explicit requirement that PHA’s seek HUD approval before establishing a residency preference (although the Section 8 Administrative Plan is a supporting document to the annual PHA Plan). PHA’s may adopt a residency preference if the preference does not delay or deny admission to the program based on race, color, ethnic origin, gender, religion, disability or age. Residency area must not be smaller that a county or municipality.

Receiving PHA

In portability, a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a Voucher and provides program assistance to the family.

Regular Re-Examinations

The Housing Authority must re-examine the income and composition of all families at lease once every twelve (12) months. The family is required to submit any certification, release, information or documentation that the Housing Authority or HUD has determined necessary.

The Housing Authority will adjust the Total Family Contribution and Housing Assistance Payment to reflect changes in household income, composition, utility allowance or payment standards.

Related Lease Shared Housing

The type of shared Housing in which the PHA enters into a single HAP Contract for two assisted Families residing in a Shared Housing Unit.

Rent to Owner/Landlord

The monthly rent payable to the owner/landlord under the lease. Rent to owner/landlord includes payment for any services, maintenance and utilities to be provided by the owner/landlord in accordance with the lease.

Rental Voucher

A document issued by a PHA to a family selected for admission to the voucher program. The voucher describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Resident

Means a person entitled under a rental agreement to occupy a dwelling unit in peaceful possession, to the exclusion of others, and includes the owner/landlord of a mobile home renting premises, other than a lot or parcel in a mobile home park, for use as a site for the location of the mobile home.

Responsible Entity

The person or entity responsible for administering the restrictions on providing assistance to non-citizens with ineligible immigration status;

1. For the Section 8 Rental Housing Voucher and the Section 8 Moderate Rehabilitation programs, the PHA administering the program under an ACC with HUD;
2. For all other Section 8 programs, the owner/landlord.

Section 214 Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a). Section 214 restricts HUD from making financial assistance available for non-citizens unless they meet one of the categories of eligible immigration status specified in Section 214. See also paragraph 1-2, Authority.

Section 214 Covered Programs

Programs to which the restrictions imposed by Section 214 apply are programs that make available financial assistance pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437-1440), Section 235 or Section 236 of the National Housing Act (12 U.S.C. 1715z-1) and Section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s).

Section 504 Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, as it applies to programs or activities receiving Federal financial assistance.

Setup Charges Charges payable by an Assisted Family for assembling, skirting and anchoring the mobile home unit.

Sex-Offender HUD determines a sex-offender to be someone who is required to be registered in a “State life-time sexual offender” registry.

Single Family Residence

Means a structure maintained and used as a single dwelling unit. Notwithstanding that a dwelling unit shares one or more walls with another dwelling unit, it is a single family residence if it has direct access to a street or thoroughfare and does not share heating facilities, hot water equipment or any other essential facility or service with any other dwelling unit.

Single Person A person who lives alone or intends to live alone and who does not qualify as an Elderly Family, a Displaced Person or the Remaining Member of a Resident Family.

Single Room Occupancy Housing

A unit which contains no sanitary facilities or food preparation facilities, or which contains one but not both types of facilities (as those facilities are defined in 24 CFR 882.109(a) and (b)) and which is suitable for occupancy by a single eligible individual capable of independent living. The unit is located within a multifamily structure consisting of more than 12 units.

Social Security Number

The number that is assigned to a person by the Social Security Administration of the Department of Health and Human Services, and that identifies the record of the person’s earnings that are reported to the Administration.

The Social Security Number has nine digits separated by hyphens, as follows: 000-00-0000. It does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary under the Social Security System.

Special Admission

Admission of an applicant that is not on the PHA waiting list or without considering the applicant’s waiting list position.

Special Re-examinations

See Interim Re-examinations.

Spouse

Means the husband or wife of the head of the household.

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-head”. “Co-head” is a term recognized by some HUD programs but not public and Indian housing programs. This definition applies to Restrictions on Assistance to Non-citizen.

Stalking

The term “stalking” means engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others; or suffer substantial emotional distress.

Stalking may include to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and/or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; 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 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. Immediate family member means, with respect to a person, a spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in loco parentis; or any other person living in the household of that person and related to that person by blood and marriage.

State

Any of the several States of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States, the Trust Territory of the Pacific Islands and Indian Tribes.

Statement of Family Responsibility

An agreement in the form prescribed by HUD between the PHA and a family to be assisted under the Program, stating the obligations and responsibilities of the two parties.

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 (see definition of “family unit size”).

Suspension Stopping the clock on the term of a family’s voucher for such period as determined by the PHA from the time when the family submits a request for PHA approval to lease a unit, until the time when the PHA approves or denies the request.

Temporary Deferral

Temporary deferral of termination of assistance if granted shall be for an initial period not to exceed six (6) months. The initial period may be renewed for additional periods of six (6) months, but the aggregate deferral period for deferrals provided after November 29, 1996 shall not exceed a period of eighteen (18) months. The aggregate deferral period for deferrals granted prior to November 29, 1996 shall not exceed three (3) years. These time periods do not apply to a family which includes a refugee under section 207 of the Immigration and Nationality Act or an individual seeking asylum under section 208 of that Act.

Tenant The person or persons (other than a live-in aide) who executed the lease as lessee of the dwelling unit.

Tenant-Based Rental assistance that is not attached to the structure.

Tenant Rent In the voucher program, the portion of the rent to the owner paid by the family. It is calculated by subtracting the amount of the housing assistance payment to the owner from the rent to the owner.

Term Means the period of occupancy specified in the rental agreement.

Total Family Contribution

Total Family Contribution for families whose initial lease is effective on or after August 1, 1982. TFC is the amount calculated under section 3(a) (1) of the 1937 Act (42 U.S.C. 1437a (a) (1)). TFC shall be the highest of the following, rounded to the nearest dollar:

1. 30 percent (30%) of Monthly Adjusted Income;

- 2. 10 percent (10%) of Monthly Income; or
- 3. If the family’s welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under paragraph (C) of section 3(a)(1) of the 1937 Act (42 U.S.C. 1437a(a)(1)(C) shall be the amount resulting from one application of the percentage.
- 4. A minimum amount of tenant rent plus utility allowance as defined by the housing agency up to \$25.00.

U.S. Citizenship and Immigration Services (CIS)

Formerly the U.S. Immigration and Naturalization Services (INS).

Utility Allowance

If the cost of utilities (except telephone and cable) and other housing services for an assisted unit is not included in the Contract Rent, but it is the responsibility of the Family occupying the unit, an amount equal to the estimate made or approved by the PHA or HUD under applicable section of HUD regulations of the monthly costs of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances, consistent with the requirements of a safe, sanitary and healthful living environment.

Utility Allowance Reimbursement Payment

See utility Reimbursement

Utility Hook-Up Charges

Costs payable by an Assisted Family for connecting its Manufactured Home to utilities such as water, gas, electrical and sewer lines.

Utility Reimbursement Payment

In the voucher program the portion of the housing assistance payment that exceeds the amount of rent to the owner. May also be referred to as Utility Allowance Reimbursement Payment.

Verification Technique Definitions:

Upfront Income Verification (UIVC) (Level 6/5): The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

Written Third Party Verification (Level 4): An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or HHA request date.

Written Third Party Verification Form (Level 3): A standardized form to collect information from a third party source (also known as traditional third party verification). The form is completed by the third party by hand (in writing or in typeset). HHA sends the form directly to the third party source by mail, fax or email.

Oral Third Party Verification (Level 3): Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit.

Tenant Declaration (Level 1): The tenant submits an affidavit or notarized statement of reported income and/or expenses to HHA.

Very Low-Income Family

1. A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.
2. HUD may establish income limits higher or lower than 50 percent 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

1. Means any person honorable discharged from the armed Forces of the United States, who served in, but not limited to, World War I between April 6, 1917 and November 11, 1918, both date inclusive; or in World War II on or after December 7, 1941 until final cessation of all hostilities; or in Korean Conflict; Lebanon Crisis; Berlin Crisis; the Congo; the Dominican Republic and Vietnam.
2. "Veteran: does not include a person enlisted and accepted for active training only for a period of six (6) months or less.

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.

Voucher (rental voucher)

A document issued by a PHA to a family selected for admission to the voucher program. The voucher describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Waiting List Admission

An admission from the PHA waiting list.

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.

Welfare-to-Work

Families assisted by a PHA with Voucher funding awarded to the PHA under the HUD welfare-to-work voucher program.

Harrisburg Housing Authority Housing Choice Voucher Program Summary of Housing Quality Standards

The following is a summary of standards required for compliance with 24 CFR Part 982, The Housing Choice Voucher Program Guidebook reference 7420, The International Property Maintenance Code and the minimum requirements set forth by the City of Harrisburg Bureau of Codes Enforcement. It is not intended to replace or alter the requirements of those standards and one should refer to those standards for a complete compliance with Federal, State and City requirements.

Some dwellings may exceed the required Housing Quality Standards. However, dwelling units meeting less than the Housing Quality Standards will not be allowed to participate in the program, unless the housing is altered to meet the criteria within the required timeframe.

Exterior

Foundation:

Foundation should be sound and free from hazards. All foundation walls shall be maintained plumb and free from open cracks and breaks and shall be kept in such condition to prevent air infiltration or vermin infestation.

Stairs, Rails and Porches:¹

Exterior Stairs and rails shall be in maintained in good condition, structurally sound and capable of supporting the imposed load. Stairs having four or more risers shall have a handrail on one side of stairway. Every open portion of a stair, landing, balcony, porch, deck, ramp or other walking surface which is more than 30 inches above the floor or grade shall have guards.

Guardrails shall not be less than 30 inches high above the floor of the landing, balcony, porch, deck or ramp or other walking surface.

Handrails shall not be less than 30 inches high or more than 42 inches high measured vertically above the nosing of the tread or above the finished floor of the landing or walking surface.

Premises identification² requires buildings to place approved address numbers in a plain view from the street fronting the property. Numbers shall contrast with their background and be a minimum of 4 inches high with a minimum stroke width of 0.5 inch.

Walkways shall be kept in a proper state of repair and maintained free from hazardous conditions.

Condition of Roofs and Gutters:³

¹2003 International Property Maintenance Code® Section 306 Handrails and Guardrails 306.1 General

²2003 International Property Maintenance Code® Section 304 Exterior Structure [F] 304.3 Premises identification

³2003 International Property Maintenance Code® Section 304.7 Roofs and drainage

Gutters and downspouts shall be maintained in good repair and free from obstructions. Roof water shall not be discharged in a manner that creates a public nuisance.

Roof and flashing shall be sound and weather tight. The roof should not allow rain to enter the dwelling.

Chimney⁴ and similar appurtenances attached shall be maintained structurally safe, sound and in good repair. All exposed surfaces of metal or wood shall be protected from the elements and against decay or rust by periodic application of weather coating materials such as paint or similar surface treatment.

All surfaces shall be free of holes, cracks, and broken or deteriorated materials. Finishes shall be free of peeling, flaking, excessively weathered or damaged areas. Exterior protective and decorative finish coating shall provide adequate resistance to weathering, moisture, corrosion, and reasonable durability.

Entrance Doors and Windows: ⁵

Entrance Doors from the exterior must have door assemblies and hardware that is maintained in good condition.

Doors and frames on exterior entrances must be weather tight.

Locks at all entrances to dwelling unit shall tightly secure the door. Locks shall comply with egress requirements as delineated by that section.

Windows and window frames must be maintained in sound condition and weather tight. All windows shall be of a thermo pane construction or have storm windows installed.

Insect screens shall be provided on all operable windows except where conflicting requirements forbid the installation. (Such as requirements for Historical Preservation)

Windows, other than a fixed window, shall be easily openable and capable of being held in position by window hardware. Glazing materials shall be maintained free from cracks and holes.

Operable windows located within six foot of the ground or any walk able surface shall be equipped with a locking device.

Interior

General Information & Habitable Rooms:

⁴2003 International Property Maintenance Code® Section 304.11 Chimney and towers

⁵2003 International Property Maintenance Code® Section 304.13-304.15 Windows, skylight, door frames, insect screens and doors.

Each dwelling unit providing living facilities for an individual or family must contain a separate kitchen and bathroom. Access to each living unit shall be provided without passing through any other living unit.

Complete bathing and sanitary facilities provided within each living unit shall consist of a water closet, a tub, and a lavatory at least 17” x 20”, and an adequate supply of hot water to the tub and lavatory, and cold water to all fixtures. The arrangement of fixtures shall provide for the comfortable use of each fixture and permit a full 90° door swing.

All bathrooms shall have an operable window or an exhaust fan vented to the outside to provide adequate ventilation.

Bathrooms shall be equipped with a medicine cabinet, mirror, towel bar and a toilet paper holder. The bathroom shall be accessible from the common hall, except in the 1-bedroom unit. The sanitary facilities must be usable in privacy.

Bedrooms⁶ shall not be less than 100 square feet of floor space and shall not be less than 7 feet in any dimension or used as the only means of access to another habitable room.

Interior doors shall be provided for each opening to a bedroom and bathroom with a privacy lock on the bathroom.

Clothes-closet space shall be provided at a minimum of 4 square feet per person and are required in or in the vicinity of each bedroom. A shelf and hanging rod is required and preferably not less than 2 feet deep.

Floors should provide safe and adequate support for normally imposed loads. Flooring should be free of objectionable vibration or give. Finished floors should be appropriate to use of space, and in good condition. Floors may be covered with carpeting or other suitable covering. Bare floors are acceptable but should be smooth and painted with wood floor paint.

Each living unit shall have a separate kitchen with space available for the storage, preparation and serving of food. There must be a sink properly connected and properly working with an adequate supply of hot and cold water. Owner supplied stove and refrigerator must be clean and in good working condition.

Minimum Area Requirements:⁷

Space	Minimum Area In Square Feet		
	1-2 Occupants	3-5 Occupants	6 or more occupants
Living Room	No requirements	120	150
Dining Room	No requirements	80	100
Bedrooms	Shall comply with Section 404.4 (referenced in Bedrooms)		

⁶2003 International Property Maintenance Code® Section 404.3 Minimum ceiling heights

⁷2003 International Property Maintenance Code® Section 404.5 Overcrowding, Minimum Area Requirements

The minimum ceiling height for habitable rooms, bathrooms, hallways, kitchens and laundry areas shall be no less than 7 feet. Laundry areas in unfinished basements shall have at least 6 foot 4 inches of headroom to access the facilities.

All stairways shall provide safe ascent and descent, railing protection and be in sound condition. The stairs and stairway shall be arranged to permit adequate headroom and space for the passage of furniture and equipment.

Handrails and guardrails shall be provided as described in the exterior portion of this standard

All interior walls and ceilings will provide a surface without major irregularities, peeling, flaking or cracked finishes. Where the finish in bathrooms and kitchens is painted it shall be gloss, semi gloss or eggshell.

Basement and foundation walls shall be watertight.

The property shall not be subject to hazards such as objectionable smoke, noxious odors, unusual noise or constant flooding. The owner shall disclose to the tenant historical information regarding flood levels if property is located within the 100 year flood zone.

Heating & Plumbing Requirements

Heat⁸ dwellings shall be provided with heating facilities capable of maintaining a room temperature of 68° F (20°C) in all habitable rooms, bathrooms and toilet rooms based on the winter outdoor design temperature for the locality indicated in Appendix D of the International Plumbing Code.

Plumbing systems shall operate freely and not have cross connections which permit contamination of water supply or backsiphonage between fixtures.

Every plumbing stack, vent, waste and sewer line shall function properly and be kept free from obstruction, leaks and defects.

Plumbing fixtures shall be properly connected to either a public sewer system or to an approved private sewage disposal system.

Domestic water heater⁹ shall be properly installed, maintained and capable of providing an adequate amount of water to be drawn at every required sink, lavatory, bathtub, shower and laundry facility at a temperature of not less than 110° F. An approved combination temperature and pressure-relief valve and relief valve discharge pipe shall be properly installed and maintained on water heaters.

⁸2003 International Property Maintenance Code® Section 602.3 Heat Supply

⁹2003 International Property Maintenance Code® Section 505.4 Water heating facilities

A gas-burning water heater shall not be located in any bathroom, toilet room, bedroom or other occupied room normally kept closed, unless adequate combustion air is provided.

Electrical Requirements

Existing wiring and electrical equipment for dwellings shall conform to the minimum city electrical requirements of the City of Harrisburg Bureau of Codes Enforcement.

All new wiring and equipment in existing dwellings and all wiring and equipment in new or substantially rehabilitated dwellings shall comply with the current version of the National Electrical Code.

Proof of compliance shall be evidenced by the certification of inspection by a third party code inspection agency.

Properties enrolled in the Housing Choice Voucher Program shall at a minimum have the following:

- Two separate 20 amp branch appliance circuits shall be installed to serve each kitchen countertop.
- All existing countertop receptacles within 6 feet of a kitchen sink or wet bar shall have ground fault interruption. All new countertop receptacles shall have ground fault protection.
- Enough general lighting circuits shall be installed to provide a minimum of three (3) watts per square foot of floor space.
- Every habitable room shall have a minimum of one switch operated light fixture and two duplex receptacles or two duplex receptacles, one to be switch operated.
- Every room shall have a wall switch at one point of entry.
- All grounding type receptacles shall be grounded. Exception: Ground fault protected receptacles when installed in accordance with 406.3 of the National Electrical Code
- Bathrooms shall have a ground fault protected receptacle installed adjacent to the lavatory.
- Any exposed knob and tube wiring that is connected and active shall be removed if damaged or deteriorated.

A complete version of the minimum electrical requirements may be obtained from City of Harrisburg Bureau of Codes Enforcement.

Safety Items:

Smoke Detectors are required on each level of the dwelling including the basement. The power shall be supplied by the building wiring, have battery backup and be interconnected. Exception: In existing dwellings that have not undergone a substantial rehabilitation that resulted in the removal of interior finishes, they may be solely battery operated and are not required to be interconnected.

Lead Paint

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips and dust can pose health hazards if not properly managed. Lead exposure is especially harmful to young children and pregnant women. Before renting pre – 1978 housing, lessors must disclose the presence of lead – based paint and/or lead – based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention. Pamphlets and disclosure statement forms are available from the Housing Choice Voucher Program Agent. Compliance with this requirement shall be in accordance with 24 CFR part 35. All surfaces shall be maintained free of cracking, scaling, peeling, chipping and loose paint, or adequately treated or covered to prevent exposure to lead based paint hazards. Stabilization of deteriorated paint surfaces shall be preformed in accordance with the requirements of 24 CFR Part 35 Subpart R and as detailed in the Housing Choice Voucher Program Guidebook.

Egress Requirements

A safe continuous unobstructed path of travel shall be provided from any point in the building to the public way.

Locked doors: All means of egress doors shall be readily opened without the use of keys or tools. Double sided keyed locks do not meet the requirement of this section.

Emergency Escape Openings: Required emergency escape openings shall be maintained in accordance with the code in effect at the time of construction and the following. Windows in habitable rooms and sleeping areas, where required for emergency egress, shall not be obstructed by the use of grills, grates, bars, air conditioners or similar devices unless approved release hardware is provided. No emergency opening shall require the use of keys or tools to open from the inside.

Closing Comments

Existing structures shall be maintained in accordance with the code that was applicable at the time of construction and the minimum requirements as delineated by the aforementioned standards. New work shall be preformed in accordance with the applicable code as set forth by the Uniform Construction Code of the State of Pennsylvania and the International Code Council.

Notwithstanding the foregoing specifications and requirements, all properties will comply with local ordinances, codes and regulations, including established requirements of city health department or other authority having jurisdiction. Properties submitted for participation in the Housing Choice Voucher Program will be subject to eligibility certification from the City of Harrisburg. The City of Harrisburg’s Operation and Revenue Department status report indicates eligibility with current Rental, Buyer Notification Inspection or Certificate of Occupancy.

Participation and execution of a Housing Assistance Payment Contract will not be authorized prior to compliance with the Housing Quality Standards. Housing Assistance Payments are not permitted on behalf of an eligible applicant/occupant until the living unit is determined by the Harrisburg Housing Authority to be in compliance with the Housing Choice Voucher Program Housing Quality Standards.

Project-Based Vouchers

Beginning in the FY2023 HHA has implemented some MTW waivers that will affect the Project Based Vouchers. These changes include:

- **Increasing the PBV Program Cap (50% of HCV units) and Project Cap (up to 100%),**
- **Elimination of the PBV Selection Process for PHA-owned Projects without Improvement, Development, or Replacement,**
- **Allowing alternative PBV Unit types including shared housing,**
- **Increasing the minimum Contract Length for PBV to no more than 50 years, and**
- **Limiting Portability for PBV units from 12 months to 24 months**

These changes will be evaluated every year to determine if they will need to be changed or removed.

INTRODUCTION

This chapter describes the U.S. Department of Housing and Urban Development (HUD) regulations and the Harrisburg Housing Authority's (HHA's) policies related to the project-based voucher (PBV) program in nine parts:

Part I: General Requirements. This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

Part II: PBV Owner Proposals. This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors the HHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

Part III: Dwelling Units. This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.

Part IV: Rehabilitated and Newly Constructed Units. This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

Part V: Housing Assistance Payments Contract. This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at the HHA's discretion.

Part VI: Selection of PBV Program Participants. This part describes the requirements and policies governing how the HHA and the owner will select a family to receive PBV assistance.

Part VII: Occupancy. This part discusses occupancy requirements related to the lease, and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed.

Part VIII: Determining Rent to Owner. This part describes how the initial rent to owner is determined, and how rent will be re-determined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

Part IX: Payments to Owner. This part describes the types of payments owners may receive under this program.

1(I)(A) OVERVIEW [24 CFR 983.5]

The project-based voucher (PBV) program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent **(HHA will be increasing this to 50% as part of the MTW program)** of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. PHAs may only operate a PBV program if doing so is consistent with the PHA's Annual Plan, and the goal of de-concentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

HHA Policy

The HHA will operate a project-based voucher program using up to 20 percent **(MTW 50%)** of its budget authority for project-based assistance.

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, the HHA is not required to reduce the number of these units if the amount of budget authority is subsequently reduced. However, the HHA is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

1(I)(B) TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the HHA policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

HHA Policy

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the HHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. PHAs may not use voucher program funds to cover relocation costs, except that PHAs may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of the HHA to ensure the owner complies with these requirements.

1(I)(D) EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]

The HHA must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the HHA must comply with the HHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

1(II)(A) OVERVIEW

The HHA must describe the procedures for owner submission of PBV proposals and for HHA selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the HHA must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per building [24 CFR 983.56], and meets the site selection standards [24 CFR 983.57].

1(II)(B) OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51]

The HHA must select PBV proposals in accordance with the selection procedures in the HHA administrative plan. The HHA must select PBV proposals by either of the following two methods.

- HHA request for PBV Proposals. The HHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the HHA request. The HHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- The HHA may select proposal that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance.

HA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the HHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the HHA request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

HHA Policy

Starting in FY2023 HHA will eliminate the PBV selection process for HHA owned projects without Improvement, Development or Replacement.

HHA Request for Proposals for Rehabilitated and Newly Constructed Units

The HHA will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the following newspaper of general circulation.

The Patriot-News

In addition, the HHA will post the RFP and proposal submission and rating and ranking procedures on its electronic web site.

The HHA will publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the HHA estimates that it will be able to assist under the funding the HHA is making available. Proposals will be due in the HHA office by close of business 30 calendar days from the date of the last publication.

In order for the proposal to be considered, the owner must submit the proposal to the HHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

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

Owner experience and capability to build or rehabilitate housing as identified in the RFP;

Extent to which the project furthers the HHA goal of de-concentrating poverty and expanding housing and economic opportunities;

If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

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

HHA Requests for Proposals for Existing Housing Units

The HHA will advertise its request for proposals (RFP) for existing housing in the following newspaper:

The Patriot-News

In addition, the HHA will post the notice inviting such proposal submission and the rating and ranking procedures on its electronic web site.

The HHA will periodically publish its advertisement in the newspaper or trade journal mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the HHA estimates that it will be able to assist under the funding the HHA is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;

Extent to which the project furthers the HHA goal of de-concentrating poverty and expanding housing and economic opportunities;

If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

Extent to which units are occupied by families that are eligible to participate in the PBV program.

The HHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis. Pursuant to the CFR, exceptions may apply.

The HHA may periodically advertise that it is accepting proposals, in the following newspaper:

The Patriot-News

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

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

- Extent to which the project furthers the HHA goal of de-concentrating poverty and expanding housing and economic opportunities; and

- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

A HHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that the HHA-owned units were appropriately selected based on the selection procedures specified in this HHA administrative plan. If the HHA selects a proposal for housing that is owned or controlled by the HHA, the HHA must identify the entity that will review the HHA proposal selection process and perform specific functions with respect to rent determinations and inspections.

In the case of HHA-owned units, the initial contract rent must be approved by an independent entity based on an appraisal by a licensed, state-certified appraiser. In addition, housing quality standards inspections must be conducted by an independent entity.

The independent entity that performs these program services may be the unit of general local government for the HHA jurisdiction.

HHA Policy

The HHA may submit a proposal for project-based housing that is owned or controlled by the HHA. If the proposal for HHA-owned housing is selected, the HHA will use an independent entity to inspect the HHA units and to certify the rent is reasonable. The HHA will obtain HUD approval of the independent entity prior to selecting the proposal for HHA-owned housing.

The HHA may only compensate the independent entity and appraiser from HHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). The HHA may not use other program receipts to compensate the independent entity and appraiser for their services. The HHA, independent entity, and appraiser may not charge the family any fee for the appraisal or the services provided by the independent entity.

The HHA must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

HHA Policy

Within 10 business days of the HHA making the selection, the HHA will notify the selected owner in writing of the owner's selection for the PBV program. The HHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

In addition, the HHA will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers and trade journals the HHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. The HHA will also post the notice of owner selection on its electronic web site.

The HHA will make available to any interested party its rating and ranking sheets and documents that identify the HHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The HHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

The HHA will make these documents available for review at the HHA during normal business hours. The cost for reproduction of allowable documents will be \$.25 per page.

1(II)(C) HOUSING TYPE [24 CFR 983.52]

The HHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of HHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation was started in accordance with PBV program requirements do not qualify as existing housing.

The HHA must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The HHA choice of housing type must be reflected in its solicitation for proposals.

The HHA may not attach or pay PBV assistance to shared housing units; **(Starting in FY 2023 , HHA may attach PBV units to shared and manufactured housing. This will be reviewed yearly)** units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; cooperative housing; and transitional housing. In addition, the HHA may not attach or pay PBV assistance for a unit occupied by an owner and the HHA may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

High-rise Elevator Projects for Families with Children [24 CFR 983.53(b)]

The HHA may use high-rise elevator building for families with children if it makes a determination that there is no practical alternative and HUD approves the HHA determination. The HHA may make this initial determination for its project-based voucher program, in whole or in part, and need not review each project on a case-by-case basis, and HUD may approve on the same basis.

HHA Policy

The HHA will use high-rise elevator projects for families with children in its efforts to expand affordable housing choices. The agency will seek HUD approval.

Subsidized Housing [24 CFR 983.54]

The HHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that HHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the HHA in accordance with HUD requirements.

The HHA may provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

The HHA must submit the necessary documentation to HUD for a subsidy layering review. The HHA may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD (or an independent entity approved by HUD) has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

1(ID)(F) CAP ON NUMBER OF PBV UNITS IN EACH BUILDING

25 Percent per Building Cap [24 CFR 983.56(a)]

In general, the HHA may not select a proposal to provide PBV assistance for units in a building or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a building, if the total number of dwelling units in the building that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent (**Starting in FY2023 HHA will be changing this to allow 100% of dwelling units in a project to be project based**) of the number of dwelling units (assisted or unassisted) in the building.

Exceptions are allowed and PBV units are not counted against the 25 percent per building cap if:

- The units are in a single-family building (one to four units);
- The units are *excepted units* in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as *qualifying families*).

The HHA must include in this administrative plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided. It is not necessary that the services be provided at or by the project, if they are approved services. To qualify, a family must have at least one member receiving at least one qualifying supportive service. HHA may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.

If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any other supportive services as defined in this HHA administrative plan, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

The HHA must monitor the excepted family's continued receipt of supportive services and take appropriate action regarding those families that fail without good cause to complete their supportive services requirement. The HHA administrative plan must state the form and frequency of such monitoring.

HHA Policy

The HHA will provide PBV assistance for excepted units. Supportive services may include but are not limited to after school care, computer training, budgeting, parenting, and self esteem.

Promoting Partially-Assisted Buildings [24 CFR 983.56(c)]

The HHA may establish local requirements designed to promote PBV assistance in partially assisted buildings. A *partially assisted building* is a building in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].

The HHA may establish a per-building cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily building containing excepted units or in a single-family building. The HHA may also determine not to provide PBV assistance for excepted units, or the AHA may establish a per-building cap of less than 25 percent.

HHA Policy:

Since the HHA will provide assistance for excepted units, the HHA will impose a further cap on the number of PBV units assisted per building that have not been designated as Senior Only. The cap will be 50 percent of the building not designated as Senior Only may contain excepted units.

Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]

The HHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless the HHA has determined that PBV assistance for housing at the selected site is consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities. The standard for de-concentrating poverty and expanding housing and economic opportunities must be consistent with the HHA Plan under 24 CFR 903 and the HHA administrative plan.

In addition, prior to selecting a proposal, the HHA must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

HHA Policy

It is the HHA goal to select sites for PBV housing that provide for de-concentrating poverty and expanding housing and economic opportunities. In complying with this goal the HHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the HHA will grant exceptions to the 20 percent standard where the HHA determines that the PBV assistance will complement other local redevelopment activities designed to de-concentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;

- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;

- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;

- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;

- A census tract where there has been an overall decline in the poverty rate within the past five years; or

- A census tract where there are meaningful opportunities for educational and economic advancement.

The HHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the HHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

The HHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The HHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The HHA may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the HHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The HHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The HHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

1(III)(A) OVERVIEW

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

1(III)(B) HOUSING QUALITY STANDARDS [24 CFR 983.101]

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, cooperative housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

Lead-based Paint [24 CFR 983.101(c)]

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

1(III)(C) HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The HHA must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

Pre-selection Inspection [24 CFR 983.103(a)]

The HHA must examine the proposed site before the proposal selection date. If the units to be assisted already exist, the HHA must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, the HHA may not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections [24 CFR 983.103(b)]

The HHA must inspect each contract unit before execution of the HAP contract. The HHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

Turnover Inspections [24 CFR 983.103(c)]

Before providing assistance to a new family in a contract unit, the HHA must inspect the unit. The HHA may not provide assistance on behalf of the family until the unit fully complies with HQS.

Annual Inspections [24 CFR 983.103(d)]

At least annually during the term of the HAP contract, the HHA must inspect a random sample, consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this annual inspection requirement.

If more than 20 percent of the annual sample of inspected contract units in a building fails the initial inspection, the HHA must re-inspect 100 percent of the contract units in the building.

Other Inspections [24 CFR 983.103(e)]

The HHA must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The HHA must take into account complaints and any other information coming to its attention in scheduling inspections.

The HHA must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting HHA supervisory quality control HQS inspections, the HHA should include a representative sample of both tenant-based and project-based units.

Inspecting HHA-owned Units [24 CFR 983.103(f)]

In the case of HHA-owned units, the inspections must be performed by an independent agency designated by the HHA and approved by HUD. The independent entity must furnish a copy of each inspection report to the HHA and to the HUD field office where the project is located. The HHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the HHA-owner.

1(IV)(A) OVERVIEW [24 CFR 983.151]

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

1(IV)(B) AGREEMENT TO ENTER INTO HAP CONTRACT

In order to offer PBV assistance in rehabilitated or newly constructed units, the HHA must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(a)].

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and the HHA agrees that upon timely completion of such development in accordance with the terms of the Agreement, the HHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(b)].

Content of the Agreement [24 CFR 983.152(c)]

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by the HHA, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

The Agreement must be executed promptly after HHA'S notice of proposal selection to the selected owner. However, the HHA may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the HHA may not enter into the Agreement until the environmental review is completed and the HHA has received environmental approval.

HHA Policy

The HHA will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

1(IV)(C) CONDUCT OF DEVELOPMENT WORK

Labor Standards [24 CFR 983.154(b)]

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The HHA must monitor compliance with labor standards.

Equal Opportunity [24 CFR 983.154(c)]

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

Owner Disclosure [24 CFR 983.154(d) and (e)]

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Evidence of Completion [24 CFR 983.155(b)]

At a minimum, the owner must submit the following evidence of completion to the HHA in the form and manner required by the HHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the HHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

HHA Policy

The HHA will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. The HHA will specify any additional documentation requirements in the Agreement to enter into HAP contract.

HHA Acceptance of Completed Units [24 CFR 983.156]

Upon notice from the owner that the housing is completed, the HHA must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The HHA must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the HHA must not enter into the HAP contract.

If the HHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the HHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

1(V)(A) OVERVIEW

The HHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. The HAP contract must be in the form required by HUD [24 CFR 983.202].

1(V)(B) HAP CONTRACT REQUIREMENTS Contract**Information [24 CFR 983.203]**

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any building that will exceed the 25 percent per building cap, which will be set-aside for occupancy by qualifying families; and
- The initial rent to owner for the first 12 months of the HAP contract term.

The HHA may not enter into a HAP contract until each contract unit has been inspected and the HHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the HHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the HHA has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

HHA Policy

For existing housing, the HAP contract will be executed within 30 business days of the HHA determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 30 business days of the HHA determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

Term of HAP Contract [24 CFR 983.205]

The HHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than ten years.

HHA Policy

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

Within one year before expiration of the HAP contract, the HHA may extend the term of the contract for an additional term of up to five years if the HHA determines an extension is appropriate to continue providing affordable housing for low-income families. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension.

HHA Policy

When determining whether or not to extend an expiring PBV contract, the HHA will consider several factors including, but not limited to:

- The cost of extending the contract and the amount of available budget authority;

- The condition of the contract units;

- The owner's record of compliance with obligations under the HAP contract and lease(s);

- Whether the location of the units continues to support the goals of de-concentrating poverty and expanding housing opportunities; and

- Whether the funding could be used more appropriately for tenant-based assistance.

The HAP contract must provide that the term of the HHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the HHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the HHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

Termination by Owner [24 CFR 983.205(d)]

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the HHA. In this case, families living in the contract units must be offered tenant-based assistance.

Remedies for HQS Violations [24 CFR 983.207(b)]

The HHA may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the HHA determines that a contract does not comply with HQS, the HHA may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

HHA Policy

The HHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program.

Substitution of Contract Units [24 CFR 983.206(a)]

At the HHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Before any such substitution can take place, the HHA must inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units [24 CFR 983.206(b)]

At the HHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per building and on the overall size of the HHA's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same building. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required.

HHA Policy

The HHA will consider adding contract units to the HAP contract when the HHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and

Voucher holders are having difficulty finding units that meet program requirements.

1(V)(D) HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.206(c) and 983.302(e)]

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the HHA, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit; and
- The family does not own or have any interest in the contract unit.

Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.207(a)]

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the HHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

The HHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

HHA Policy

The HHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The HHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

Vacancy Payments [24 CFR 983.352(b)]

At the discretion of the HHA, the HAP contract may provide for vacancy payments to the owner for a HHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by the HHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

HHA Policy

The HHA will decide on a case-by-case basis if the HHA will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

1(VI)(A) OVERVIEW

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

1(VI)(B) ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]

The HHA may select families for the PBV program from those who are participants in the HHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be re-determined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the HHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the HHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. An applicant family must also meet HUD requirements related to current or past criminal activity.

HHA Policy

The HHA will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 3.

In-Place Families [24 CFR 983.251(b)]

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the HHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the HHA's waiting list. Once the family's continued eligibility is determined (the HHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the HHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

The HHA may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and PBV assistance. The HHA may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by the HHA. If the HHA chooses to offer a separate waiting list for PBV assistance, the HHA must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If a HHA decides to establish a separate PBV waiting list, the HHA may use a single waiting list for the HHA's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units.

HHA Policy

The HHA will establish and manage two waiting lists, one for individuals that are receiving PBV and tenant based assistance and one for Tenant-Based Vouchers. HHA will supplement the PBV waiting list with individuals/families from the Tenant Based waiting list if the PBV waiting list is insufficient.

1(VI)(D) SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]

Applicants who will occupy units with PBV assistance must be selected from the HHA's waiting list. The HHA may establish selection criteria or preferences for occupancy of particular PBV units. The HHA may place families referred by the PBV owner on its PBV waiting list.

Income Targeting [24 CFR 983.251(c)(6)]

At least 75 percent of the families admitted to the HHA's tenant-based and project-based voucher programs during the HHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

Units with Accessibility Features [24 CFR 983.251(c)(7)]

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the HHA must first refer families who require such features to the owner.

The HHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. The HHA must provide an absolute selection preference for eligible in-place families as described in Section 1(VI)(B) above.

Although the HHA is prohibited from granting preferences to persons with a specific disability, the HHA may give preference to disabled families who need services offered at a particular project or site if the preference is limited to families (including individuals):

- With disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;
- Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
- For whom such services cannot be provided in a non-segregated setting.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If the HHA has buildings with more than 25 percent of the units receiving project-based assistance because those buildings include “excepted units” (units specifically made available for elderly or disabled families, or families receiving supportive services), the HHA must give preference to such families when referring families to these units [24 CFR 983.261(b)].

HHA Policy

The HHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for “excepted units,” mobility impaired persons for accessible units). The HHA will also offer the additional preferences set forth in our policy, for the PBV program or for particular PBV projects or units.

The HHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the HHA's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

Disapproval by Landlord [24 CFR 983.251(e)(2)]

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list.

Acceptance of Offer [24 CFR 983.252]

Family Briefing

When a family accepts an offer for PBV assistance, the HHA must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the HHA must provide a briefing packet that explains how the HHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities

If an applicant family's head or spouse is disabled, the HHA must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available (see Chapter 2). In addition, the HHA must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency

The HHA should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Chapter 2).

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(b)].

Leasing [24 CFR 983.253(a)]

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the HHA from the HHA's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the HHA's subsidy standards.

Filling Vacancies [24 CFR 983.254(a)]

The owner must promptly notify the HHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, the HHA must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. The HHA and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

HHA Policy

The owner must notify the HHA in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy.

The HHA will make every reasonable effort to refer families to the owner within 30 business days of receiving such notice from the owner.

Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the HHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

HHA Policy

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

The HHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, the HHA may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.

HHA Policy

The HHA will not conduct screening to determine a PBV applicant family's suitability for tenancy.

The HHA must provide the owner with an applicant family's current and prior address (as shown in HHA records) and the name and address (if known by the HHA) of the family's current landlord and any prior landlords.

In addition, the HHA may offer the owner other information the HHA may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members. The HHA must provide applicant families a description of the HHA policy on providing information to owners, and the HHA must give the same types of information to all owners.

HHA Policy

The HHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. The HHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
- Compliance with other essential conditions of tenancy.

1(VII)(A) OVERVIEW

After an applicant has been selected from the waiting list, determined eligible by the HHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

1(VII)(B) LEASE [24 CFR 983.256]

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Form of Lease [24 CFR 983.256(b)]

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a HHA model lease.

The HHA may review the owner's lease form to determine if the lease complies with state and local law. If the HHA determines that the lease does not comply with state or local law, the HHA may decline to approve the tenancy.

HHA Policy

The HHA will not review the owner's lease for compliance with state or local law. The HHA will advise that the owner seek legal advice for this purpose.

Lease Requirements [24 CFR 983.256(c)]

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provided by the owner; and
- The amount of any charges for food, furniture, or supportive services. The tenancy addendum in the lease must state:
 - The program tenancy requirements;
 - The composition of the household as approved by the HHA (the names of family members and any HHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal [24 CFR 983.256(f) and 983.257(b)]

The initial lease term must be for at least one year. Upon expiration of the lease, an owner may renew the lease, refuse to renew the lease for “good cause,” or refuse to renew the lease without good cause. If the owner refuses to renew the lease without good cause, the HHA must provide the family with a tenant-based voucher and remove the unit from the PBV HAP contract.

Changes in the Lease [24 CFR 983.256(e)]

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the HHA a copy of all changes.

The owner must notify the HHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the HHA and in accordance with the terms of the lease relating to its amendment. The HHA must re-determine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The re-determined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see 24 CFR 982.310). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c)]

If a family is living in a project-based unit that is excepted from the 25 percent per building cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

The owner may specify in the lease a maximum period of tenant absence from the unit that is shorter than the maximum period permitted by HHA policy. According to program requirements, the family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days.

Security Deposits [24 CFR 983.258]

The owner may collect a security deposit from the tenant. The HHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

HHA Policy

The HHA will allow the owner to collect a security deposit amount the owner determines is appropriate, but not to exceed one month rent.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The HHA has no liability or responsibility for payment of any amount owed by the family to the owner.

Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.259]

If the HHA determines that a family is occupying a wrong size unit, based on the HHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the HHA must promptly notify the family and the owner of this determination, and the HHA must offer the family the opportunity to receive continued housing assistance in another unit.

HHA Policy

The HHA will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the HHA's determination. The HHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

PBV assistance in the same building or project;

PBV assistance in another project; and

Tenant-based voucher assistance.

If the HHA offers the family a tenant-based voucher, the HHA must terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by the HHA).

If the HHA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the HHA, or both, the HHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the HHA.

HHA Policy

When the HHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the HHA will terminate the housing assistance payments at the expiration of this 30-day period.

The HHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the HHA. If the family wishes to move with continued tenant-based assistance, the family must contact the HHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, the HHA is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, the HHA must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

The HHA may not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a building unless the units are [24 CFR 983.56]:

- In a single-family building;
- Specifically made available for elderly or disabled families; or
- Specifically made available for families receiving supportive services as defined by the HHA. At least one member must be receiving at least one qualifying supportive service.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined as defined by the HHA and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a “qualifying family” in connection with the 25 percent per building cap exception (e.g., the family does not successfully complete supportive services requirements, or due to a change in family composition the family is no longer elderly or disabled), must vacate the unit within a reasonable period of time established by the HHA, and the HHA must cease paying housing assistance payments on behalf of the non-qualifying family.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by the HHA.

HHA Policy

The HHA will provide PBV assistance for excepted units. Therefore, HHA will allow for unit replacements if required.

1(VIII)(A) OVERVIEW

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is re-determined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

1(VIII)(B) RENT LIMITS [24 CFR 983.301]

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by the HHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

Certain Tax Credit Units [24 CFR 983.301(c)]

For certain tax credit units, the rent limits are determined differently than for other PBV units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- • The tax credit rent exceeds a HHA-determined amount (not to exceed 110 percent of the fair market rent or any approved exception payment standard); For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:
 - The tax credit rent minus any utility allowance;
 - The reasonable rent; or
 - The rent requested by the owner.

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]

When determining the initial rent to owner, the HHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, the HHA must use the most recently published FMR and the utility allowance schedule in effect at the time of re-determination. At its discretion, the HHA may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for re-determinations of rent, the 30-day period immediately before the re-determination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, the HHA may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

HHA Policy

Upon written request by the owner, the HHA will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The HHA will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, the HHA may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or re-determination of rent, if the HHA determines it is necessary due to HHA budgetary constraints.

The HHA must re-determine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

Rent Increase

If an owner wishes to request an increase in the rent to owner from the HHA, it must be requested at the annual anniversary of the HAP contract (see Section 1(V)(D)). The request must be in writing and in the form and manner required by the HHA. The HHA may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

HHA Policy

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

The HHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment.

Notice of Rent Change

The rent to owner is re-determined by written notice by the HHA to the owner specifying the amount of the re-determined rent. The HHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

HHA Policy

The HHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

HHA-owned Units [24 CFR 983.301(g)]

For HHA-owned PBV units, the initial rent to owner and the annual re-determination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. The HHA must use the rent to owner established by the independent entity.

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the HHA.

When Rent Reasonable Determinations are Required

The HHA must re-determine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The HHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the HHA must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

Comparability Analysis

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the HHA. The comparability analysis may be performed by HHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

HHA-owned Units

For HHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for HHA-owned units to the HHA and to the HUD field office where the project is located.

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the HHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

1(VIII)(D) EFFECT OF OTHER SUBSIDY AND RENT CONTROL

In addition to the rent limits discussed in Section 1(VIII)(B) above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 1(II)(D)).

Other Subsidy [24 CFR 983.304]

At its discretion, a HHA may reduce the initial rent to owner because of other governmental subsidies, including tax credit or tax exemption, grants, or other subsidized financing.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- A project receiving low-income housing tax credits;
- Any other type of federally subsidized project specified by HUD.

Combining Subsidy

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

Rent Control [24 CFR 983.305]

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

1(IX)(A) HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]

During the term of the HAP contract, the HHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the HHA agree on a later date.

Except for discretionary vacancy payments, the HHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the HHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

1(IX)(B) VACANCY PAYMENTS [24 CFR 983.352]

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the HHA determines that the vacancy is the owner's fault.

HHA Policy

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

- The owner gives the HHA prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by the HHA to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by the HHA and must provide any information or substantiation required by the HHA to determine the amount of any vacancy payment.

HHA Policy

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified the HHA of the vacancy in accordance with the policy in Section 1(VI)(F) regarding filling vacancies.

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

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the HHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the HHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the HHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the HHA. The owner must immediately return any excess payment to the tenant.

Tenant and HHA Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the HHA.

Likewise, the HHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The HHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The HHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, the HHA must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

The HHA may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If the HHA chooses to pay the utility supplier directly, the HHA must notify the family of the amount paid to the utility supplier.

HHA Policy

The HHA may make utility reimbursements to the utility supplier.

Meals and Supportive Services

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.