

Garland Housing Agency

Administrative Plan



GARLAND

HOUSING AGENCY

Adopted by City of Garland City Council

Resolution No.: 10282

Date of Adoption: May 16th, 2017

Administered by:
Garland Housing Agency
210 Carver; Suite 201
Garland, TX 75040
(972) 205-3393

Steven Fitch, Director of Housing

CITY OF GARLAND HOUSING AGENCY

HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

TABLE OF CONTENTS

	PAGE
I. INTRODUCTION AND STATEMENT OF APPROACH AND OBJECTIVES TO ADMINISTER THE HOUSING CHOICE VOUCHER PROGRAMS.....	1
A. Background	
B. Housing Authority Mission Statement and Housing Choice Voucher Program Objectives	
C. Legal Jurisdiction	
D. Purpose of the Administrative Plan	
E. Nondiscrimination	
F. Service Policy/Accommodations	
G. Translation of Documents	
H. Privacy Rights	
I. Records Management Policy	
J. Rules and Regulations	
K. Programs Administered by Garland Housing Agency	
L. Staffing Positions	
M. Customer Relations	
N. Conduct Business in Accordance with Core Values and Ethical Standards	
II. OUTREACH TO FAMILIES AND OWNERS/LANDLORDS	10
A. Family Outreach	
B. Opening/Closing the Waiting List	
C. Owner/Landlord Outreach	
D. Promoting Greater Housing Opportunities for Families Outside Areas of Low-Income and Minority Concentration	
III. COMPLETION OF APPLICATION, PREFERENCES, DETERMINATION OF ELIGIBILITY, AND SELECTION OF FAMILIES.....	13
A. Completion of Application	
B. Local Preferences	
C. Application Process	
D. Transferring Applicants to Occupancy	
E. Failure to be housed	
F. Eligibility Determination	
G. Drug Abuse and Criminal Activity	
H. Selection from Waiting List	
I. Monitoring of Section and Leasing	
J. Special Purpose Funding and Admissions	
IV. VERIFICATION OF INCOME AND DETERMINATION OF TOTAL TENANT PAYMENT	31
A. General Policies Concerning Verification	
B. Income Allowances	
C. HUD Allowable Deductions	
D. Minimum Rent	
E. Rent Burden	

F.	Zero Income Families	
G.	Averaging Income	
H.	Income Changes	
I.	Income Inclusions	
J.	Income Exclusions	
K.	Prorated Assistance for “Mixed” Families	
L.	Absence from the Unit	
M.	Utility Allowance and Utility Reimbursement Payments	
N.	Verification Procedures	
V.	BRIEFING OF FAMILIES AND ISSUANCE OF HOUSING CHOICE VOUCHERS	...58
A.	Briefing Notices	
B.	Contents of the Briefing	
C.	Contents of Briefing Packet	
D.	Extensions and Suspensions	
E.	Occupancy Standards	
VI.	HOUSING QUALITY STANDARDS AND INSPECTIONS.....	62
A.	Applicable Quality Standards	
B.	Initial HQS Inspection	
C.	Annual HQS Inspections	
D.	Special/Compliant Inspections	
E.	Quality Control Inspections	
F.	Life-Threatening HQS Deficiencies	
G.	Consequences if Owner/Landlord is Responsible (Non-Emergency Items)	
H.	Determination of Responsibility	
I.	Consequences if Family is Responsible	
J.	Zero Tolerance Policy	
VII.	REQUEST FOR TENANCY APPROVAL, RENT REASONABLENESS, DISAPPROVAL OF OWNER/LANDLORD, EXECUTION OF LEASE AND HAP CONTRACT, AND RENT INCREASE	68
A.	Request for Tenancy Approval	
B.	Rent Reasonableness Determination and Documentation	
C.	Disapproval of Owners/Landlords	
D.	Execution of the Lease and HAP Contract	
E.	Rent Increases	
F.	Manufactured Homeowners Leasing Pad	
G.	Late Charges	
VIII.	PAYMENT STANDARDS	72
IX.	OWNER/LANDLORD RESPONSIBILITY FOR SCREENING RESIDENTS	73
A.	Owner/Landlord Screening	
B.	PHA Information about Resident	
X.	PAYMENTS TO OWNERS/LANDLORDS.....	74
A.	Controls and Accountability	
B.	Basic Procedures	
C.	HAP Late Payments to Owners/Landlords	

XI.	ANNUAL AND INTERIM PARTICIPANT RE-CERTIFICATION	76
	A. Annual Participation Re-Certification	
	B. Changes to Tenant Rent	
	C. Failure to Respond to Annual Re-Certification Notice	
	D. Interim Reexaminations	
	E. Public Assistance Benefit Changes	
	F. Requirements to Add to Family Composition	
XII.	TERMINATION OF ASSISTANCE	82
	A. Basic Policy	
	B. Reasons for terminations	
	C. Insufficient Funds	
	D. Violence Against Women Act and Justice Department Reauthorization Act 2005	
	E. Zero Housing Assistance	
	F. Computer Matching	
XIII.	UTILITY ALLOWANCES	87
XIV.	PORTABILITY	88
	A. Outgoing Housing Choice Vouchers	
	B. Receiving PHA	
XV.	MOVES WITH CONTINUED TENANT-BASED ASSISTANCE	89
	A. Eligibility to Move	
	B. How Many Moves	
	C. Notice of Family Move	
XVI.	FAMILY BREAK-UP	91
	A. PHA Discretion	
	B. Criteria	
	C. Court Orders	
	D. Remaining Member of Tenant Family	
XVII.	ABSENCE FROM UNIT	92
	A. Time Limits	
	B. Verifications	
XVIII.	ADMISSION OF LIVE-IN AIDE OR FOSTER CHILDREN.....	93
	A. Live-in Aide	
	B. Foster Children	
XIX.	PROGRAM INTEGRITY	93
	A. Investigation of Suspected Abuse and Fraud	
	B. Steps to Detect Program Abuse and Fraud	
	C. Handling of Allegations of Possible Abuse and Fraud	
	D. Investigations of Allegations of Abuse and Fraud	
	E. Evidence and Statements Obtained by the PHA	
	F. Evaluation of the Findings	
	G. Action Procedures for Violations Which Have Been Documented	
	H. Falsification, Misstatements, Omissions, Misrepresentation	
	I. The Participant Conference for Serious Violations and Misrepresentations	

J.	Disposition of Cases Involving Misrepresentation	
K.	Notification of Participant of Proposed Action	
XX.	INFORMAL HEARINGS AND REVIEWS	99
A.	Definitions	
B.	Procedures for Informal Review	
C.	Procedures for Informal Hearing	
D.	Hearing and Appeal Provisions for “Restrictions on Assistance To Non-Citizens”	
E.	Mitigating Circumstances for Applicants/Participants with Disabilities	
XXI.	OPERATING RESERVE EXPENDITURES STATEMENT.....	105
A.	Required Use for Program Administration	
B.	Permitted Use for Other Housing Purposes	
C.	Board of Commissioners Approval of Operating Reserve Expenditures	
XXII.	REPAYMENT AGREEMENT.....	105
A.	Establishing the Agreement	
B.	Enforcing Repayment Agreements	
C.	Ineligibility for Repayment Agreements	
D.	Prosecution of Non-Payment , Unreported Income greater than \$5000	
E.	Owner/Landlord Fraud and Program Abuse	
XXIII.	MINOR CHANGES TO THE ADMINISTRATION PLAN	107
XXIV.	HOUSING CHOICE VOUCHER HOMEOWNERSHIP PROGRAM	107
XXV.	FAMILY SELF-SUFFICIENCY ACTION PLAN	107
	GLOSSARY (Acronyms and Terms)	108
	DEFINITIONS.....	111
	EXHIBIT A “Garland Housing Agency Housing Choice Voucher Home Ownership Program”	140
	EXHIBIT B “Family Self-Sufficiency Action Plan”	160

CITY OF GARLAND HOUSING AGENCY
HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN

I. INTRODUCTION AND STATEMENT OF APPROACH AND OBJECTIVES TO ADMINISTER THE HOUSING CHOICE VOUCHER PROGRAM

BACKGROUND

The City of Garland's Housing Agency was established in 1976, and was empowered with the responsibility and authority to maintain the Public Housing Program for the City of Garland, Texas. The Housing Choice Voucher Program (HCV), better known as Section 8, 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. In 1976, the Housing Choice Voucher Program was established by The Housing Authority of the City of Garland (hereinafter referred to as PHA or Housing Authority), when it received the first Annual Contributions Contract (ACC) under the Housing Choice Voucher Existing Housing Assistance Payments Program.

Administration of the Housing Choice Voucher Housing Program and the function and the responsibilities of the PHA staff shall be in compliance with the Personnel Policy of the PHA, the Equal Opportunity for Housing regulations, the Housing Choice Voucher Administrative Plan, and applicable Standard Operating Procedures. All Federal, State and local housing laws will be followed and the PHA will comply with the City of Garland's Consolidated Plan.

B. HOUSING AUTHORITY MISSION STATEMENT AND HOUSING CHOICE VOUCHER PROGRAM OBJECTIVES

1. The mission statement of the PHA is:

The Housing Authority's mission is to serve the needs of low-income, very low-income and extremely low-income families in the PHA's jurisdiction and to (1) increase 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.

The Garland Housing Authority will also strive to improve the quality of life of its residents through self-sufficiency.

2. The following objectives of the Housing Choice Voucher 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 the PHA is geographically defined as the Garland, Texas city limits and units found within Dallas County, Collin County, Rockwall County, areas in Denton County south and east of Lake Lewisville and Kaufman County west of Terrell and north of Highway 175.

D. PURPOSE OF THE ADMINISTRATIVE PLAN

The purpose of the Administrative Plan is to establish policies for items that are not covered under Federal Regulations for the Housing Choice Voucher Program and other programs administered by the agency

The Administrative Plan, hereinafter referred to as the Plan, covers both the admission and continued participation in the above mentioned program.

Changes in the Plan will be approved by the Garland City Council for the PHA and a copy provided to the U.S. Department of Housing and Urban Development (HUD).

PHA staff shall develop and revise as needed operating procedures, systems, forms and methods designed to ensure that the policies set forth in this Administrative Plan are administered correctly, fairly and uniformly by all program staff.

E. NON-DISCRIMINATION

The PHA affirmatively furthers Fair Housing and works to remove impediments to Fair Housing in the administration of the program by complying fully with all Federal, State and local nondiscrimination laws and administers programs in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing, and marketing the program to members of protected classes who are “least likely to apply.”

The PHA shall not discriminate against applicants, participants, or landlords because of race, color, gender, religion, creed, national or ethnic origin, age, family or familial status, disability, or sexual orientation, 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.

To further the commitment to full compliance with applicable Civil Rights laws, the PHA will provide information to Housing Choice Voucher 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 will be displayed in locations through the PHA office in such a manner as to be easily readable from a wheelchair.

The PHA's Housing Choice Voucher office space is accessible to persons with disabilities.

F. SERVICE POLICY/ACCOMMODATIONS

It is the policy of the PHA 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 will be made known by including notices on forms and letters to all families, and all requests may be verified so that these needs can be properly accommodated. All mailings will be made available in an accessible format upon request, as a reasonable accommodation. Organizations which provide assistance for hearing-impaired and sight-impaired persons will be utilized.

Reasonable Accommodations for Persons with Disabilities

1. An applicant or participant with a disability may request information or accommodations by contacting the Garland Housing Agency at 210 Carver Street, Suite 201, Garland, Texas 75040 or by calling 972.205.3347.
2. A reasonable accommodation is a modification or change GHA can make to its offices, methods, or procedures to assist an otherwise eligible applicant or participant with a disability to take full advantage of and use GHA's programs.
3. An accommodation is not reasonable if it: causes an undue financial and administrative burden; or represents a fundamental alteration in the nature of the program.
4. Subject to the undue burdens and fundamental alterations tests, GHA will correct physical situations in its office or procedures that create a barrier to equal housing opportunity for all.
5. To permit persons with disabilities to take full advantage of the program, in accordance with Section 504 and the Fair Housing Amendments Act of 1988, GHA shall comply with all requirements and prohibitions in applicable law.
6. Facilities and programs used by applicants and participants shall be accessible to all persons with disabilities.

7. Documents and procedures used by applicants and participants will be accessible for those with disabilities.

G. TRANSLATION OF DOCUMENTS

In order to determine whether it is feasible to translate documents into other languages, or Braille for the blind, the PHA will consider the following facts:

1. number of applicants and residents who do not speak English and speak another language or need Braille for adequate understanding;
2. cost of translation into other languages per client who speaks another language or into Braille;
3. evaluation of the need for translation by the bilingual staff and by agencies that work with the non-English speaking clients;
4. the availability of organizations to translate documents, letters and forms for non-English speaking families;
5. availability of bilingual staff to explain untranslated documents to clients.

H. PRIVACY RIGHTS

Applicants and participants will be required to sign the Federal Privacy Act Statement in conjunction with HUD 50058 form which states under what conditions HUD will release resident and owner/landlord information at admission and every recertification thereafter. Applicants and participants will also be required to sign HUD 9886, Authorization for Release of Information.

The PHA policy regarding release of information is:

1. Information shall not be released without the signed client release with the individual request for information unless the blanket authorization is used.
2. However, the PHA will release information on amounts owed for claims paid and not reimbursed by the client.
3. The PHA must release the client's current address and the name of the current owner/landlord, the client's former address and the name of the owner/landlord of the former address if known to the Housing Choice Voucher holder's prospective owner/landlord, upon written request of the prospective owner/landlord.
4. The PHA will release information on amounts requested by court subpoena, a federal or state agency, or a law enforcement agency.

5. The PHA must limit use and disclosure of family information obtained through release and consent to purposes directly connected with the program administration.

I. RECORDS MANAGEMENT POLICY

1. Purpose

The purpose of this policy is to direct the PHA's handling of all records and documents associated with the operation of the agency and the administration of its program.

2. General Policy

In accordance with the Privacy Act of 1974, as revised, the PHA will maintain only such information on applicants/residents as is necessary and relevant to the performance of its mandated duties and will to the best of its ability protect the privacy of applicants/residents.

3. Legal Action

In the event of current or pending litigation, legal counsel will be sought regarding applicable documents. If litigation is pending, all applicable documents and records, regardless of disposal dates will be retained until resolution of the legal matter.

4. Back Up of the Electronic Data

Computer data will be backed-up on CDs or separate drive in order to avoid loss of important information due to equipment failure. If CDs are used, they will be locked in fireproof storage. Financial information will be backed up every day that new data is entered. Other files, including tenant files will be backed up daily.

5. Special Security Measures for EIV Data

Privacy Protection Policy

- HUD has provided specific guidelines for the protection of data retrieved from its online up front income verification system, entitled Enterprise Income Verification (EIV)
- EIV resident data will be used only to verify a resident's eligibility for participation in the Housing Choice Voucher Program and to determine the level of assistance for which resident is eligible.
- Data provided via EIV System will be protected to ensure that information is used only for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data.
- In compliance with HUD requirements the PHA will:
 1. Maintain and enforce security procedures
 2. Keep records and monitor security issues
 3. Communicate security information and requirements to appropriate staff, and coordinate and conduct security awareness training for staff
 4. Conduct quarterly review of User Ids

5. Report any evidence of unauthorized access or known security breaches

Security Safeguards

- Only authorized staff will have access to the EIV System via ID and Password
- All users of the EIV System will have a current signed USER AGREEMENT on file
- PHA will keep a record of all authorized users, including date access was granted and date access was revoked, if applicable
- Work area of persons authorized to research and download EIV and other privacy-sensitive information will be shielded from the public.
- Unauthorized staff persons will not have access to work station and computer of authorized persons
- PHA staff will not leave resident folders exposed on desktops or computer screens open with sensitive data unattended. Folders will be locked in files and computer screens cleared before staff person leaves his/her office for any reason.
- Staff will never take resident files home for any reason. If it is necessary to transport resident files between PHA offices, files will be transported in a locked box.
- Any EIV printout will be removed from the printer immediately so that nothing will be inadvertently left vulnerable to unauthorized access.
- EIV printout data will be kept in family file until verifications are complete and all discrepancies have been resolved. Applicable information will be documented in the family file and then all originals and copies of EIV printout will be housed in a secure area.
- At the close of business, resident files will be locked and file cabinet areas locked.
- Any combination locks used will be reset regularly.
- Security procedures will be reviewed with staff periodically to safeguard against laxity and breaches.

J. RULES AND REGULATIONS

All issues not addressed in this document related to residents and participants are governed by HUD Handbook 7420.7, the Code of Federal regulations, HUD Memos, Notices and Guidelines or other applicable law, and the Housing Choice Voucher Programs Standard Operations Procedures.

K. Programs Administered by Garland Housing Agency

The following is a list of Housing Choice Voucher Programs offered by the PHA:

Housing Choice Voucher Program
 Housing Choice Voucher Homeownership Program
 Family Self Sufficiency (FSS)

L. STAFFING POSITIONS

The following are the positions/titles of staff members who are responsible for the implementation of the Housing Choice Voucher Programs:

Housing Administrator	Operations/Finance Manager
Administrative Assistant (2)	Sr. Housing Inspector
FSS Coordinator	Housing Inspector (2)
FSS Representatives (8)	AARP Workers
Operation Aide	Temporary Employees

Others may be added without written or update to the administrative plan depending on their function.

M. CUSTOMER RELATIONS

The PHA considers all families and owners as its “customers”. The goal of the PHA 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. The PHA may require that complaints other than HQS violations be put in writing. Complaints that would otherwise not be resolved through the informal review or informal hearing processes will be referred to the appropriate staff person for resolution.

These complaints may include, but are not limited to:

1. treatment of customers by staff;
2. complaints or referrals from persons in the community in regard to customers;
3. disagreement with an action or inaction by the family or owner; and
4. treatment of staff by customers.

N. CONDUCT BUSINESS IN ACCORDANCE WITH CORE VALUES AND ETHICAL STANDARDS

In accordance with CFR24-982.161 Conflict of Interest, the PHA has established a written code of conduct.

1. Neither the PHA, nor any of its contractors or subcontractors, will enter into any contract or arrangement in connection with tenant-based programs in which the following class of persons has any interest, direct or indirect, during tenure or for one year thereafter.
 - any present or former member or officer of the PHA (except a participant commissioner);

- any employee of the PHA, any contractor or subcontractor, any agent of the PHA, who formulates policy or who influences decisions with respect to the programs;
 - any public official, member of a governing body, or state or local legislator, who exercises functions or responsibilities with respect to programs;
 - any member of the Congress of the United States;
 - any member of the classes described in paragraph 1 of this section must disclose their interest or prospective interest to the PHA and HUD.
2. The code of ethics prohibits solicitation or acceptance of gifts or gratuities, in excess of nominal value, by any officer or employee of the PHA, any contractor or subcontractor, or agent of the PHA.

The PHA shall adhere to the 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.

3. An employee will follow the standards of conduct as listed below. As such, an employee shall not:
- accept or solicit, for personal gain any benefit that might reasonably tend to influence them to act improperly in the discharge of official duties;
 - use their official positions improperly to secure unwarranted privileges or exemptions for themselves, relatives or others. This provision does not preclude officers or employees from action in any manner consistent with their official duties or from zealously providing public services to anyone who is entitled to them.
 - participate in making or influencing any GHA governmental decision or action in which they know that they have any financial interest distinguishable from that of the public generally or from that of other employees generally.
 - by their conduct give reasonable basis for the impression that any person can improperly influence, or unduly enjoy their favor in, the performance of their official duties, or that they are unduly affected by the kinship, rank position or influence of any person.
 - use or disclose, other than the performance of their official duties or as may be required by law, confidential information gained in the course of or by reason of their positions. This provision applies to former officers and employees as well as to current ones.

- transact any business (other than ministerial acts) on behalf of the GHA with any business entity of which they or their relatives are officers, agents or members or on which they or their relatives have a financial interest.
- in the event such a circumstance arises, then they shall make known their interest, and in the case of an employee, disclose the matter to the appropriate administrative authority within city government so that reassignment or other suitable action may be taken to remove the employee from further involvement in the matter.
- personally provide services for compensation, directly or indirectly, to a person or organization who is requesting an approval, investigation, or determination from the body or department of which the officer or employee is a member.
- accept other employment or engage in outside activities incompatible with the full and proper discharge of their duties and responsibilities within the city, or which might impair their independent judgment in the performance of their public duty.
- personally participate in a decision, approval, disapproval, recommendation, investigation, or rendering of advice in a proceeding, application, request for ruling or determination, contract, claim, or other matter under the jurisdiction of the city, if the employee or relative of the employee is negotiating or has an arrangement concerning prospective employment with a person or organization that has a financial interest in a matter in which the employee has been participating, the employee shall immediately notify the official responsible for appointment to his or her position of the nature of the negotiation or arrangement and, if the Housing Administrator or his/her designee determines that a conflict of interest exists, follow the instructions of the Housing Administrator with regard to further involvement in the matter, or
- receive any fee or compensation for their services as employees of the GHA from any source other than the GHA, except as may be otherwise provided by law. This shall not prohibit their performing that same or other services for a public or private organization that they perform for the GHA if there is no conflict with their GHA duties and responsibilities.
- knowingly perform or refuse to perform any act in order to deliberately thwart the execution of the GHA ordinances, rule or regulations or the achievement of official GHA programs.

- personally represent or appear in behalf of the private interest of another; or if the represented person's interest is adverse to that of the GHA; represent any person
 - (a) in any quasi-judicial proceeding involving the GHA;
 - or
 - (b) in any judicial proceeding to which the GHA is a party
4. Provided, nothing in the subsection above shall preclude:
- (1) any employee from performing the duties of his or her employment;
 - (2) any employee from testifying as a witness under subpoena in a judicial or quasi-judicial proceeding.
5. Penalties
- the failure of any employee to comply with this article or the violation of one or more of the standards of conduct set forth in the Code of Ethics, which apply to him or her, shall constitute grounds for expulsion, reprimand removal from office or discharge.
 - disciplinary action and appeals in the case of an employee of the GHA, shall be in conformance with the procedures established by the Housing Administrator's rules and regulations.

II. OUTREACH TO FAMILIES AND OWNERS/LANDLORDS

A. FAMILY OUTREACH

1. The Housing Choice Voucher Office continues to publicize and disseminate information, as needed, concerning the availability and nature of housing assistance. Upon execution of an Annual Contributions Contracts (ACC) for additional units, the Housing Choice Voucher office will make known to the public through publication 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.
2. To reach persons who cannot read the newspapers, the Housing Choice Voucher office will distribute fact sheets to the broadcast media. Personal contacts with the news media and with community service personnel as well as public service announcements will be handled by the Housing Administrator's office.
3. Upon receipt of new funding, the Housing Choice Voucher office will review its current waiting list and consider whether outreach is needed. If it is needed, the Housing Choice Voucher office will analyze outreach options to accommodate

the diversity and distribution of eligible families and the differences in their willingness to respond to and participate in the program.

B. OPENING/CLOSING THE WAITING LIST

1. The waiting list will be opened at certain times specified by the agency. Applications will only be accepted by utilizing an online application. Applicants can utilize personal computers, computers at local libraries. Computers will also be available during normal business hours for persons to apply, if they do not have access to a computer and staff assistance will be available.

2. Closing the Waiting List

The closing date of the Waiting List may be announced at the same time as the opening is announced.

3. The opening/closing of the Waiting List shall be announced through public notices as follows:
 - a. The notice shall be placed in a newspaper of general circulation,-the City of Garland's website (www.garlandtx.gov) and in plain view at the Garland Housing Agency's main administration office.
 - b. Postings will be made at locations throughout the community and will be mailed to social service agencies.
 - c. The notices shall contain all of the information needed to enable interested parties to complete the process.
 - d. The notice must contain the Equal Opportunity Housing logo.

C. OWNER/LANDLORD OUTREACH

1. The Housing Choice Voucher office maintains good relations with existing owners/landlords and encourages new owners/landlords to participate and to make dwelling units available for leasing by eligible families in accordance with the Equal Opportunity Housing Plan.
2. The PHA will conduct periodic meetings with participating owners/landlords to improve owner/landlord relations and to recruit new owners/landlords.
3. The PHA will use a comprehensive marketing effort described in the next section to recruit owners/landlords in areas that offer expanded opportunities to our participants, as needed.
4. In order to assure that owner/landlord outreach efforts are recruiting owners/landlords with units outside areas of low-income and minority concentration, the PHA evaluates new Request for Tenancy Approvals by determining if the address is in an area outside poverty/minority concentration.

D. PROMOTING GREATER HOUSING OPPORTUNITIES FOR FAMILIES OUTSIDE AREAS OF LOW-INCOME AND MINORITY CONCENTRATION

1. The following steps may be used to locate owners/landlords, as follows:
 - a. Owners / Landlords in un-impacted areas will be identified and contacted.
 - b. Regular meetings are held with investors and other owner/landlord groups to explain the program and recruit owners/landlords. A presentation is given with written materials.
 - c. The rental stock in areas without concentration of very low-income and minority residents will be 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 Housing Choice Voucher applicants.
 - e. Complex managers are recruited through meetings with manager associations and special training programs geared toward managers.
 - f. All Housing Choice Voucher staff is required to adopt the customer service representative approach and implement the program accordingly.
2. Mass media is used as needed.
3. Printed materials for owners/landlords consist of:
 - a. An owner/landlord manual that describes all of the procedures as well as tips to be successful with the Housing Choice Voucher program, and other materials as needed.
4. The following actions are to be taken to comply with SEMAP requirements:
 - a. Families will be provided a website address (www.gosection8.com) to identify landlords that are willing to accept Housing Choice Voucher vouchers and a listing of available rental property may be provided Housing Choice Voucher participants. These listings show addresses, deposit information, etc. as provided by owners/ landlords.
 - b. Applicants are made aware of the fact that they may choose any unit within the PHA's jurisdiction as long as the program requirements are met regarding the unit.
 - c. Applicants are advised of portability provisions available in the Housing Choice Voucher Housing Choice Voucher Program.
 - d. Housing Choice Voucher participants are provided a map which identifies areas of low-poverty and minority concentrations.

III. COMPLETION OF APPLICATION, PREFERENCES, DETERMINATION OF ELIGIBILITY, AND SELECTION OF FAMILIES

A. COMPLETION OF APPLICATION

1. Pre-Application Procedures

- a. A preliminary-application form (pre-application) is utilized. The information is to be filled out by the applicant on date specified for taking applications. To provide specific accommodation for persons with disabilities, the information may be completed by a family representative at the place where the applications are taken.
- b. The purpose of the pre-application is to permit the PHA to preliminarily assess family interest in the program and to determine placement on the waiting list. The pre-application will contain questions designed to obtain the following information:
 - Names and age of all members;
 - Sex and relationship of all members;
 - Street Address and phone numbers;
 - Mailing Address (if PO Box or other permanent address);
 - Amount(s) and source(s) of income received by household members;
 - Information regarding disabilities
 - Social Security Numbers;
 - Race/ethnicity;
 - Arrests/Convictions for Drug-Related or Violent Criminal Activity;
 - Program integrity questions regarding previous participation in HUD programs.
- c. Pre-applications do not require an interview. The information on the application will not be verified until the applicant has been selected for final eligibility determination. Final eligibility will be determined when the full application process is completed and all information is verified.
- d. Applicants must be 18 or older to apply unless they are an emancipated minor and can provide documentation.
- e. Applicants are required to inform the PHA, in writing or in person, of changes in address. Applicants are also required to respond to requests from the PHA to update information on their application and to determine their interest in assistance.
- f. Failure to provide information or to respond to mailings will result in the applicant's name being removed. Mail that is returned by the U.S. Postal Service will result in removal from the waiting list. Applicants who are removed from the waiting list are allowed to reapply for assistance when the waiting list is opened.

2. Notification of Applicant Status

Applicants will receive a confirmation of their online application at the time of submission.

3. 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 generally 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 within two (2) weeks of the verification process and acceptance of required documents. All changes to the pre-application will be updated during the scheduled interview. The head of household, as well as all members of the household eighteen (18) years or older must sign all required HUD forms. Reasonable accommodations are made for persons with disabilities.
 - c. The applicant is required to attend the scheduled meeting. If the applicant fails to attend the scheduled appointment and does not contact the Housing Choice Voucher Department in writing or by telephone to reschedule the appointment, the application will be rejected.
 - d. The original waiting list applicant must be included on the full application unless the applicant is deceased and there is another household member listed on the original application that is 18 or older or an emancipated minor at the time the name is pulled from the waiting list and is willing to have their eligibility determined to receive a voucher.
- 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 assistance. Eligibility will be determined based on information that is provided at time of application.
 - (2) Third-party verifications in writing (sent by mail directly to the PHA) are preferred. The PHA will retain the returned envelope in the tenant's file as proof of receipt of third-party documentation. Oral third-party verifications are acceptable if they are properly documented with details and a reason given as to why third-party written verification was not obtained.
 - (3) If third-party verification is impossible to obtain, documentation will be placed in the tenant's file explaining why another method was used and other documents may be provided by the family. Documents will be photocopied when not prohibited by law. When documents cannot be photocopied, staff certification forms, noting documents viewed will be used by recording the source of information, the information obtained, and signed and dated by the staff person who viewed the document.

4. Final Determination and Notification of Eligibility

- a. After the verification process is completed, a final determination is needed. Final determination of eligibility is based upon the same factors as preliminary or provisional eligibility, except that data at this point is verified through a third-party or documented best source available.
- b. The household is not actually eligible for assistance until this final determination has been made.

5. Denial of Admissions

In addition to Section D of this chapter, denial of program assistance must be made for an applicant for any of the following grounds:

- a. The family fails to supply any information that is determined necessary in the administration of the program;
- b. The applicant provides 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 (5) years;
- d. If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federally-assisted housing program. If any member has less than five (5) years history of drug-related criminal activity and less than ten (10) years history of violent criminal activity. Drug related criminal activity includes the possession, sale or deliver of an illegal control substance. Violent criminal activity is activity that has as one of its elements the use, attempted or threatened use of physical force against the person or property of another which may include all assaults with or without a deadly weapon, terrorist threats, rape, murder, sex offenders; Criminal background checks will be conducted annually for all participant families including those porting into the PHA program.
- e. If the family currently owes rent or other amounts to the PHA or another PHA in connection with Housing Choice Voucher or Public Housing Assistance under the 1937 Act;
- f. 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;
- g. 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. The PHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a PHA or amounts paid to an owner/landlord by a PHA. The PHA will prescribe the terms of the agreement;
- h. If the family has engaged in or threatened abusive or violent behavior toward PHA personnel; and
- i. 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.

6. Right to an Informal Review

The Informal Review process can be reviewed in greater detail in "Section XX. Informal Hearing and Reviews".

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

7. Updating the Waiting List

- a. The PHA will update the waiting list to ensure that it is current and accurate every two years or as needed. The PHA may update the waiting list more often at their discretion.
- b. The PHA mails a letter to the applicant's last known address requesting information regarding their continued interest in maintaining a place on the waiting list.
- c. If the applicant did not notify the PHA of a move as required, the PHA is not responsible for the applicant's failure to receive the update request.
- d. The request letter will include a deadline date by which the applicant must submit their continued interest, by mail, email or in person. If the PHA fails to receive the updated applicant information by the deadline date, the applicant's name will be removed from the waiting list.
- e. Notification of a change in address to the U.S. Post Office or sources other than the PHA is not considered compliance with the requirements to notify the PHA.
- f. Applicants are given thirty (30) days to return the notice of continued interest. The PHA does not accept responsibility for mail delays.

B. LOCAL PREFERENCES

- a. The Garland Housing Agency currently does not have local preferences

C. APPLICATION PROCESS

STEP 1: Applications will be accepted using an online application system during a time specified by the Housing Agency.

STEP 2: Enter data from the applications taken into the PHA software program: HAPPY

STEP 3: Sort the Waiting List in order of Date and Time – HAPPY does this.

STEP 4: Make up a file for each applicant. Put application in file.

STEP 5: Applicants will be able to check their waiting list status using the online application system.

D. TRANSFERRING APPLICANTS TO OCCUPANCY

STEP 1: FSS Supervisor and Operator/Finance Manager determine number of applicants to be removed from the Waiting List.

STEP 2: Update Waiting List and take into account any applications that have been added to the Waiting List since the last update.

STEP 3: According to date and time, remove the designated number of applicants from the active Waiting List by changing their status from "Waiting for Voucher" to "Ready for Occupancy".

STEP 4: Mail a letter to each applicant informing them that the PHA is now ready to determine their eligibility for a Voucher and the date of their scheduled appointment. Remind them to bring in the documents listed in the letter.

STEP 5: Accept documents on date of appointment. Documents will be put in applicant's file.

STEP 6: Determining Eligibility:

Mail or fax third-party verifications to agencies. Do criminal background checks for every family member 18 years of age and older and for every name they have had. Red flag files that show ANY drug activity in the past five (5) years, violent crimes in past ten (10) years, and any sexual crime ever. Drug related criminal activity includes the manufacturing, production, distribution of methamphetamines, possession, and sale of a control substance. Violent criminal activity includes all assaults with or without a deadly weapon, terrorist threats, rape, murder, sex offenders and sex offenders that are required to register with the State lifetime sex offender's registry program. Give information to the FSS Coordinator to determine if the applicant is eligible for admission into the program. Income eligibility is determined at the time of the pre-qualification.

STEP 7: Give files that appear to be eligible to the designated caseworker.

STEP 8: Mail orientation appointment letter to processed applicants.

STEP 9: FSS Representatives will conduct group orientation sessions and issue vouchers.

Step 10: Families will not be allowed to make changes to the family composition or report increases in income once the voucher has been issued. However; loss of income will be accepted after the voucher has been issued.

E. FAILURE TO BE HOUSED

- STEP 1: Change applicant's status accordingly (i.e., Voucher expired, declined assistance, ineligible, TIF not returned, etc.) Make notes in the applicant's file and in the computer.
- STEP 2: Mail a letter to the applicant informing them that their name has been removed from Waiting List and the reason(s) why. The applicant will be given the opportunity to request an informal review.
- STEP 3: File a copy of the final letter in appropriate file and remove files to an inactive file drawer for at least one (1) year before sending it to storage.

F. ELIGIBILITY DETERMINATION

1. Family Designation

- a. Family includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity or marital status: a single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or a group of persons residing together, and such group includes, but is not limited to: A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family); an elderly family, a near-elderly family, a disabled family, displaced family and the remaining member of a tenant family.
- b. 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 year.
- c. Evidence of a "stable family relationship" may include any of the following: birth certificates of children, joint tax returns, prior lease (held jointly), joint bank accounts, insurance policies and/or equivalent documentation.
- d. 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.
- e. An elderly household whose head or spouse meets the following definitions (unless otherwise approved by HUD). The head, spouse or sole member must be:
 - 62 years of age or older; or
 - 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 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 a live-in aide.

f. Single Persons

A person 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. Remaining Members

The remaining members of a participant family shall be considered a family. When the head of household departs the family, the adult responsible for the children will receive assistance until the head of household returns. (See also Section XVI. Family Break-up, Section D)

h. Head of Household

The head of household is an adult member of the household 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 a head of household.

i. Split Households 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 unit 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, they will be denied placement on the waiting list. The Housing Administrator will make the final determination of which of the new family remains on the waiting list or receives the voucher.

j. Anticipated Family Composition

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

k. Joint Custody of Children

Children who are subject 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.

l. 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 disability as defined by 24 CFR PART 8.3;
- 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 will 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 members will 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 will only reside in the unit with pre-approval. Written verification will be required from a reliable, knowledgeable medical professional. The provider of the verification must certify that a live-in aide is needed for the care of the family member in order to provide reasonable accommodation to make the program accessible to the family member with the disability. Verification must be updated annually;
- a live-in aide cannot be a spouse or boyfriend/girlfriend (since they would be living in the unit anyway);
- a live-in aide cannot have a job outside of the unit or another place to live since he/she is verified to be necessary to provide care on a live-in aide basis and is supposed to live in the unit;
- relatives are not automatically excluded from being care attendants, but must meet the definition described above;
- a live-in must pass a criminal background check and cannot owe another housing authority funds;
- a live-in aide is required to attend the annual recertification appointments with the Head of Household and the GHA must determine annually the eligibility of the household for a live-in aide;
- Although family members may be qualified to perform the services needed by the individual with disabilities, a live-in aide is not a family member, his/her income is not counted for eligibility or rent purposes and the live-in aide cannot receive the voucher as a "remaining member of a tenant/participant
- a live-in aide may not change their status to a family member when the head of household is no longer in the unit.

2. Income Eligibility

Family income must fall within the applicable Very 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 I (HOPE for Public and Indian Housing Homeownership) or HOPE 2 (HOPE for Multifamily Units) Project;
 - d. a low-income non-purchasing family residing in a project subject to a homeownership program under 24 CFR 248.173;
 - e. a low-income family displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165.
3. Restrictions on Assistance to Non-citizens or Eligible Immigration Status Requirements
- a. Required Documentation
 - Housing Choice Voucher 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 will be eligible for pro-rated 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. of Citizenship and Immigration Services (CIS) (formerly INS):
 - For citizens: a signed Declaration of U.S. citizenship;
 - For all other non-citizens:
 - A signed Declaration of eligible immigration status;
 - The CIS documents listed in Handbook 7465.7, 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 the PHA. 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 and/or a PHA 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 the PHA's preliminary inquiry or 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 the PHA. Applicant families may request an informal hearing as described in Section 9-2 (c) (2) of Handbook 7465.7 either upon the completion of the CIS appeal or in place of the CIS appeals.
 - Assistance to an applicant will be delayed if the CIS appeal process has been concluded, but will not be denied until after the conclusion of the

PHA informal hearing process, if an informal hearing is requested by the applicant.

4. Restrictions on Full and Part time Students

- a. A family whose household members contain a Head of Household, Co-head or Other Adult, who is not living with their parents, that is a fulltime or part-time student enrolled in an institution of higher education and is seeking to reside in a Housing Choice Voucher assisted unit cannot be determined eligible if the person is not considered independent from their parents. The term independent, when used to respect to a student, means any individual who is:
- Over the age of 24 years old;
 - A veteran (the term veteran means a person who served in the active military, naval, or air service, and who is discharged or released there from under conditions other than dishonorable.);
 - Married;
 - Has a dependent child;
 - Is an orphan or ward of the court or was a ward of the court until the individual reached the age of 18;
 - Is a graduate or professional student;
 - Is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.
- b. An institution of higher education is defined under Section 102 of the Higher Education Act of 1965 as an educational institution in any state that:
- Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate,
 - Legally authorized within such State to provide a program of education beyond secondary education;
 - Provides an educational program for which the institution awards a bachelor's degree or provides not less than a two-year program that is acceptable for full credit toward such degree;
 - Is a public or other nonprofit institution; is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted pre-accreditation status and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.

Additional institutions include:

- Any school that provides not less than a 1 year program of training to prepare students for gainful employment in a recognized occupation or
- A public or nonprofit private educational institution in any state that admits as regular students persons who are beyond the age of

compulsory school attendance in the State in which the institution is located.

- c. If a student is not considered independent, and is not otherwise income eligible or has parents who are not otherwise income eligible, they shall not receive a voucher. Both student's income and parent's income must be assessed for income eligibility and must be determined to be low-income in the area where the parent resides. Students will be asked to provide proof of parent or parent's income through but not limited to previous year's tax return, their Student Aid Report Status, child support records, pay check stubs, social security benefits, veteran's benefits, etc... The student will be asked to provide this documentation for both parents if they are currently married and/or residing together. In the cases where the parents are not married and separated, the student will be asked to provide the information from the parent who provides 51% of the student's support.
- d. The PHA must include any financial assistance in excess of tuition excluding loans when determining income eligibility. Financial assistance may include but is not limited to any assistance that an individual receives:
 - Under the Higher Education Act of 1965,
 - From private sources
 - From an institute of higher education
- e. The student is required to provide enrollment documentation, transcripts and/or other documents that indicate the student is enrolled and/or attending school full-time. This documentation must be provided at each annual reexamination and/or interim examination to ensure the rent is calculated correctly.

G. DRUG ABUSE AND CRIMINAL ACTIVITY

1. Denial of Admissions

a. Prohibiting Admission of Persons Evicted for Drug-Related Criminals Activity

The Garland Housing Agency will deny housing assistance to applicants or participants if they have less than a ten (10) year history of violent criminal activity and less than a five (5) year history of drug-related criminal activity. Violent criminal activity includes all assaults with or without a deadly weapon, terrorist threats, rape, and murder. Drug related includes the manufacturing, production, of methamphetamine, possession, sale, or distribution of a control substance. Criminal background checks will be conducted at annual re-examination for every member of the household who is 18 years or older.

The PHA **must** prohibit 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, the PHA will admit the household if the PHA determines:

- (1) that the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the PHA; or
 - (2) that the circumstances leading to eviction no longer exist. (For example, the criminal household member has died or is imprisoned.)
- b. At all times a household shall be denied admission if any member of the household is a Sex offender and/or subject to a lifetime registration requirement under a State sex offender registration program. In the screening of applicants, the PHA must perform criminal history background checks necessary to determine whether or not any household member is subject to a lifetime sex offender registration requirement in the state where the housing is located and in other states where the household members are known to have resided.
- c. Households shall be denied admission for having less than a five (5) year arrest and/or conviction if any household member is arrest and/or convicted of a drug-related criminal activity, and less than 10 years of violent criminal activity, other criminal activity which may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; other criminal activity which may threaten the health or safety of the owner, property management staff, or persons performing a contract administration function or responsibility on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor or agent), or pattern of alcohol abuse. A “pattern” shall be at least three alcohol-related criminal offenses within the five (5) year period prior to application for assistance.
- d. The following are standards to be applied as appropriate for drug-related criminal activity and other criminal activity concerning denial of admission:
- (1) The PHA will “determine” the use of an illegal drug through an arrest and/or conviction of a drug-related charge.
 - (2) The PHA shall “determine” involvement in criminal activity through an arrest and/or conviction for a criminal activity.
 - (3) Any “household member” includes adults and minors who are on the lease or who are living in the household, but not reported to the PHA.
 - (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 the PHA 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 methamphetamine 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 admission for other drug-related convictions or other criminal activity convictions shall be five (5) years from the date of the conviction.

- (8) If the PHA previously denied admissions for criminal activity, the PHA elects not to consider evidence that a household member was not engaged in criminal activity for a period of time. The household shall not be eligible for admission for five (5) or ten (10) years from the date of the conviction (depending on the criminal activity).
- (9) Evidence of criminal activity shall be defined as the PHA 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.

2. Use of Criminal Record

- a. Denial. If a PHA proposes to deny admission for criminal activity as shown by a criminal record, the PHA must provide the subject of the record and the applicant with a copy of the criminal record. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with Sec. 982. 554.

The Garland Housing Agency will deny housing assistance to applicants or participants who are adding additional adult family members, if they have less than a ten (10) year history of violent criminal activity and less than a five (5) year history of drug-related criminal activity. The PHA will conduct criminal background checks for every household member 18 years and older at the time of the annual reexamination.

Drug related criminal activity includes the manufacturing, production, and distribution of methamphetamine, possession or sale of a control substance.

Violent criminal activity includes all assaults with or without a deadly weapon, terrorist threats, rape, murder, sex offenders and sex offenders that are required to register with the State lifetime sex offender's registry program.

- b. Cost of Obtaining Criminal Record. The PHA will not pass along to the tenant the costs of a criminal records check.
- c. Permitted use and disclosure of criminal records/sex offender registration records received by the PHA will only be used for applicant screening and/or for lease enforcement and eviction. A PHA will disclose criminal convictions as follows:
 - (1) To officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information.
 - (2) If a PHA obtains criminal records from a State or local agency showing that a household member has been convicted of a crime/sex offense relevant to applicant screening or tenant lease enforcement or eviction, the PHA must notify the household of the proposed action based on the information obtained. The PHA must also provide the subject of the record and give the applicant or resident a copy of such

information before a denial of admission, eviction or lease enforcement action on the basis of such information.

- d. If, at any time during the program participation, the PHA has reasonable cause (e.g., newspaper articles, credible informants, police reports) to believe that a household member is engaged in drug-related or other criminal activity which would pose a threat to the health, safety, or right to peaceful enjoyment of the premises by other residents or PHA employees, the PHA will run a subsequent criminal check of that household member.

3. Consideration of Circumstances

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

- a. The PHA will 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, the PHA will 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, the PHA will 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, the PHA decision concerning such action is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

4. Records Management

- a. All criminal and information from a drug facility treatment center received will be maintained confidentially and not misused, or improperly disseminated.
- b. Such information will be housed in a locked file with access restricted to individuals responsible for screening and determining eligibility and to the Housing Administrator.

5. Drug Treatment Facility Information

- a. As needed during the informal review or hearing process the PHA will 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 the PHA will utilize a written consent form required by 24 CFR 960.205.
- c. The PHA is not obligated to request information from drug treatment facilities and is not liable for damages for failure to request or receive the information.

6. Components of Screening Process

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

- a. For all applicable household members, the PHA will submit to a law enforcement agency the name, and date of birth.
- b. Based on the identifiers submitted, the law enforcement agency will provide this PHA 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 this PHA that such information was found, and will provide the PHA with a copy of the information.
- d. In no case will the applicant be charged for the cost of the criminal history checks.

7. 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 who refuse to supply required information and/or refuses to sign HUD form 9886 to obtain other income information, 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.

H. SELECTION FROM WAITING LIST

1. Basic Selection Policy

- a. Applicants shall be selected in order of date and time of the initial application with consideration given to the regulations governing income targeting as well as any adopted local preference. Applicants with local preferences that

applied prior to July 1, 2004 will continue to be pulled from the waiting list in accordance with the local preferences.

- b. Applicants whose income is greater than thirty percent (30%) of the area's median income may be passed on the waiting list pursuant to the income targeting requirements detailed below.
- c. Applicants who applied earlier than applicants who are eligible for local preferences may be passed on the waiting list.
- d. PHA's may not select applicants from the waiting list in an order different from the selection procedures "for the purpose of selecting higher income families" for the program.

2. Families that are not selected from the Waiting List:

- a. Families that are participating in a project-based program and have been identified by HUD that the housing assistance should be continued under the Preservation Multi-family Program rules and regulations;
- b. Families issued an enhanced voucher and qualified for the tenant-based Housing Choice Voucher Program;

All families under the programs above will be required to provide the same documents to determine their eligibility.

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

- a. 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.

I. MONITORING OF SELECTION AND LEASING

In compliance with SEMAP requirements, a statistical report is prepared each month to insure that PHA 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.

J. SPECIAL PURPOSE FUNDING ADMISSIONS

HUD may provide funding to serve a targeted population. When HUD targets funding of assistance for a special populace the PHA 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.

IV. VERIFICATION OF INCOME AND DETERMINATION OF TOTAL TENANT PAYMENT

The PHA 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. GENERAL POLICIES CONCERNING VERIFICATION

1. The PHA verifies family income, family composition, status of full-time students, value of assets, factors allowing a preference, and other factors relating to eligibility determinations before an applicant is issued assistance.
2. The PHA will use several methods to verify income and income deductions. Up-front and third-party (independent) verifications will be obtained by the PHA either electronically or sent by mail to the appropriate agency. To qualify as third-party verification the document(s) must never touch the applicant's or tenant's hands. If third-party written verification is not possible, the PHA will use third-party oral verification. The PHA staff will fill out an Oral Verification Form which contains the name of the agency contacted, the full name and title of the contact person, the date of the conversation and detailed documentation of the conversation, including the reason for the contact. If third-party verification is not possible, the Review of Documents method of verification will be used. And if that method is not possible, the PHA will use the Notarized Statement by Applicants method as well as stating in the file the reason why third-party documentation was not obtained. The EIV (Enterprise Income Verification) System will be used as a tool to meet the objective of assuring that the "right benefits go to the right persons." The EIV system is a federal system that provides quick, easy access to resident income information. The system will streamline and simplify the income verification process at the time of recertification, by providing independent source that systematically and uniformly maintains income information. Data contained in the EIV system include resident income information from the Social Security Administration, Department of Health and Human Services, new hire information, employment wages per quarter, deceased participants and unemployment compensation benefits. The system will enable the housing agency to identify cases of unreported or under reported resident income, identify potential cases of current residents who are receiving HUD subsidy under multiple rental housing assistance programs and whether an applicant is already receiving rental housing assistance from another subsidized source. A current, signed and dated HUD9887/9887A must be on file for the head, spouse, co-head and any family member who is 18 years of age or older or has turned 18 since the last recertification, prior to EIV data is accessed for a tenant. Information collected from EIV will be used for official purposes and not disclosed in any way that would violate the privacy of the individuals represented in the system data. The EIV information will be safeguarded by allowing only authorized staff to access the system, all users must have a current user agreement on file, a record of all users will be maintained, unauthorized staff persons and participants will not have access to computer of authorized persons, staff will not

leave resident folders exposed on desk tops, computer screens open with sensitive data unattended, documents will be locked in files and passwords required to access computer stations, all documents will be immediately removed from printer, fax machines, copier, and/or scanners, and at the close of business, resident files will be locked and security procedures will be reviewed with staff periodically to safeguard against laxity and breaches.

3. Photocopies will be accepted with a written documentation as to why third-party verification was not obtained.

B. INCOME ALLOWANCES

Income includes all monetary amounts that are received on behalf of the family. All income that is not specifically excluded in the HUD regulations is counted. Monetary is defined as it relates to any money received on behalf of the family.

Annual Income is used to determine whether the family is within the Income Limits. It is the anticipated amounts, “monetary or not,” that go to, or “on behalf of,” the family (including temporarily absent head or spouse), and are received from a source outside the family within the twelve (12) months after certification.

Adjusted Income is the Annual Income minus any 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, the PHA 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. Income is defined by HUD regulations and is further interpreted in HUD Notices, Memos and Addenda. Those rules must be followed. However, there are policy decisions that are needed in order to assure consistent interpretation of the HUD rules.

C. HUD ALLOWABLE DEDUCTIONS

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

1. Dependent Allowance: \$480 each for family members (other than the head or spouse) 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 are not included in this deduction).
2. Elderly/Disabled Allowance: \$400 per family for families whose head or spouse is 62 or over or disabled.
3. Allowable Medical Expenses: Deducted for all family members of an eligible elderly/disabled family.

4. Allowable Disability Assistance Expenses: Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.
5. Child-Care Expenses: Deducted for the care of children under thirteen (13) years of age when child-Care is necessary to allow an adult member to work, attend school, or actively seek employment.

Child-care deductions are allowed only for the care of children under the age of thirteen (13), including foster children. Child-care deductions will not be allowed unless there is no adult household member available and capable of caring for the child. Those adult members who would be considered unable to care for the child include a disabled or older person (as verified by a doctor's written statement) or a documented child abuser.

The following standards are the criteria for allowing child-care expenses as a deduction:

- a. Child-care to work: The maximum child-care 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 child-care deduction will not exceed the amount of income earned by the person enabled to work.
- b. Child-care for school: The PHA 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 member is attending school (with the addition of one hour travel time to and from school) versus the number of hours claimed for child-care. The number of hours for which the child-care deduction is allowed shall not exceed the school and travel time.
- c. Child-care to seek employment: The deduction for child-care 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 child-care provider must include the name, address, and phone number of the company or individual child-care provider, the names of the children being cared for, the number of hours for which child-care 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.

D. MINIMUM RENT

The minimum rent for Housing Choice Voucher participants is \$50.00. All Voucher families will contribute the highest of thirty percent (30%) of monthly adjusted income or ten percent (10%) of monthly gross income, or the minimum rent toward the rent plus any rent above the applicable Payment Standard.

1. The minimum rent requirement will 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, 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 the PHA 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 Tenant Payment (TTP).

2. If 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, Rent will 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 a temporary hardship, the PHA 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. The family will not be evicted for non-payment of rent during this ninety (90)-day period.
 - d. If the hardship is subsequently determined to be long-term, the PHA will retroactively exempt residents from the minimum rent requirement for the ninety (90)-day period.
3. Hardship determinations are subject to the PHA'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.

E. 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 percent (40%) of the family's monthly adjusted income.

New admissions to the Housing Choice Voucher Program and continuing program participants who move 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 family will be advised to seek a lower priced unit. The continuing program participant may opt to remain in the current unit or seek a lower priced 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.

F. 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 non-employment/no income affidavit, no income questionnaire and a thirty (30) day recertification each month thereafter. Such families will be required to maintain all receipts for any expenses (e.g., food and clothing, utility bills) for thirty (30) days. 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 30 days to determine if there are any new sources of income. All families may be required to attend a mandatory meeting each month to provide their monthly expenditures and complete the zero income form. If the family misses two or more meetings, it will be grounds for termination. The reevaluation may include an inquiry in to the UIV (Upfront Income Verification) system

1. If a family reports that they do not have an income, the adult members will be required to sign a non-employment/no income affidavit, no income questionnaire and a thirty (30) day recertification each month thereafter.

2. Family members 18-25 years of age that are attending school full or part-time will not be required to report income status every thirty (30) days.
3. The spouse will not be required to report their income status every thirty (30) days, if the head of household decides that they will provide the only income for the family. A notarized statement will be required from the head of household.

G. AVERAGING INCOME

There are two ways to calculate income when the income cannot reasonably 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 as predicted).

Both processes will be used depending on how the income was verified by the source.

Income from the previous year will 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.

H. INCOME CHANGES

1. Welfare Program Requirements

The PHA will not reduce a family's income and rent if the family's welfare benefits were reduced due to:

- a. fraud by a family member; or
- b. family's failure to abide by program requirements to work or participate in the Family Self-Sufficiency Program or Welfare-to-Work program, if applicable.

The family will be offered an opportunity for an informal hearing. The PHA 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.

2. Total Tenant Payment Exceeds Gross Rent

Families whose Total Tenant Payment exceeds the Gross Rent of the occupied unit may remain on the PHA's Housing Choice Voucher 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.

I. INCOME INCLUSIONS

1. Regular Contributions and Gifts

Regular contributions and gifts received from persons outside the household are counted as income for Tenant Rent 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.

Under certain circumstances (i.e., for zero income families), the PHA will interview the tenant and review his or her current bills and receipts to determine the amounts paid for known household expenses and the sources of regular income, including in-kind contributions. The total amount of receipts and bills and the frequency of payments will be used to determine the anticipated income.

Third-party verification of income from regular contributions and gifts will be obtained whenever possible. Third party verification of income from regular contributions and gifts will be mailed to the contributor on the same date of the interview. Ten (10) business days will be allowed for the return of the verification; if not received the file will be documented. Oral verification will be attempted and if no response the tenant will be asked to sign and complete a Declaration of Regular Contributions.

2. Alimony and Child Support

Alimony and child support payments are counted as income for Tenant Rent calculation purposes. Third-party verification of income from these sources is obtained by contacting the former spouse and/or the Child Support Recovery Unit. If the verification is not received within a reasonable amount of time, the PHA will allow the family to submit at least the last three (3) months of child support check stubs and/or complete a self-declaration statement.

3. Lump Sum Payments

Lump-sum payments caused by delays in processing periodic payments (e.g., unemployment, TANF, or child support) except Social Security and Supplemental Security Income benefits 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 Tenant Payment will be recalculated and compared to the previous Total Tenant Payment. The family has the choice of paying this "retroactive" rent to the PHA in a lump sum or entering into a repayment agreement with the PHA. The family officially owes this money to the PHA whether or not the family chooses to continue its participation in the Housing Choice Voucher program.

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 payment would be treated as an asset.

4. Assets Valued Under \$5000

Income from assets owned by any family member (including minors) and valued at or under \$5,000 is counted as income. (An example is checking and savings accounts.) In determining income from assets, the PHA will use a six month average (if the six month average cannot be verified, the PHA will use the current balance), of the account and multiply it by the yearly interest rate.

5. Assets Valued Over \$5,000

Income from assets owned by any family member (including minors) and valued over \$5,000 is counted as income. In determining income from assets, the PHA will use the greater of the actual net income from the asset or the imputed income using the HUD passbook rate.

- a. The actual anticipated income is based on the annual interest rate multiplied by the current checking or savings account balance.

6. Assets Disposed of for Less than Fair Market Value

The PHA counts as income all assets disposed of for an amount less than fair market value during the two (2) years preceding initial certification or recertification. The PHA will count the difference between the market value and the actual payment received to calculate assets.

7. Contributions to Retirement Funds

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

8. Armed Forces Pay

All regular pay, special pay and allowances of member of the Armed Forces will be included in income (EXCEPTION: Special hazardous duty pay for a family member exposed to hostile fire is excluded.)

J. INCOME EXCLUSIONS

1. Lump Sum Payments

Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and Workers' Compensation), capital gains, and settlement for personal or property losses are not included as income.

2. Grants and Scholarships

Only the amount of student financial assistance, including scholarships, educational entitlements, grants, work-study programs, and financial aid packages used for tuition may be excluded. Student loans are excluded even if part of the loan is being used for general living expenses. Loans are never considered income because they must be repaid.

3. Earned Income of Full-Time Student

Income exceeding \$480 that is earned by a full-time student (other than the head of household or spouse) is excluded from income. The exemption only applies to earnings in excess of \$480 because the family already receives a \$480 dependent allowance.

4. Contributions to Retirement Funds

Contributions to company retirement/pension funds are handled in the following manner:

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

5. Resident Service Stipends

Resident Service Stipends received for performing a service for the owner of a housing development, and not exceeding \$200 per month, is excluded from annual income. If the owner/landlord pays the resident more than \$200 per month, the entire amount received is included as income.

6. Job Training Programs

Incremental increases in earnings and benefits received from a qualifying state or local training program (including training programs not affiliated with a local government) and training of a family member as resident management staff are included.

To qualify for this exclusion, the employment training program must have clearly defined goals and objectives. The incremental increase in earnings is excluded only during the time the family member participates in the training program.

7. Earned Income Tax Credit Refund

Any earned income tax credit refund will not be counted as income, regardless of whether it is being received as part of the regular pay or in a single sum as part of an income tax refund.

8. Adoption Assistance Payments

Payments exceeding \$480 for the care of adopted children are excluded.

9. Adult Foster Care Payments

Payments received for the care of foster adults (generally individuals with disabilities, unrelated to the tenant family, who are unable to live alone) are excluded.

10. Home Care Payments

Amounts paid by any source to families that have developmentally disabled children or adult family members living at home are excluded.

11. Military Pay

Special hazardous duty-pay for the family member exposed to hostile fire is excluded.

12. Property Tax Refunds and Rebates

State and/or local property tax refunds paid to the family are excluded.

13. Agent Orange Settlement Fund

Payments received after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation will not be counted as income. The requirement will apply only to veterans of the Vietnam War.

14. Maine Indian Claims Settlement Fund

Effective July 23, 1990, payments received under the Maine Indian Claims Settlement Act of 1980 will not be counted as income. This requirement applies to payments received by any member of the household who received payments under this claim.

15. Holocaust Reparation Payments

Any reparation payments paid by foreign governments pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era will not be included in income.

16. Older Americans Act Programs

Payments received from programs funded under Title V of the Older Americans Act of 1965 will not be counted as income. The Community Service Employment Program (CSEP) administered under Title V distributes grants to qualifying organizations to fund part-time employment to persons who are at least fifty-five (55) years of age and have limited income, e.g., Green Thumb and Senior Aide Programs.

17. Disabled Income Exclusions

Disabled families (i.e. the disabled person who has been previously unemployed and goes to work) are identified and determined whether or not they have experienced an increase in employment, or has new employment and have been previously unemployed for 12 months or longer, or have been enrolled in a self-sufficiency program or a job training program, or have received TANF six (6) months prior to receiving new employment, will have an earned income disallowance for the incremental increase in income for a period of twenty-four (24) months. This is how this disallowance works:

- a. 100% of the incremental increase income is disallowed for the first twelve (12) months; does not have to be consecutive months.
- b. 50% of the incremental increase income is disallowed for the next twelve (12) months; does not have to be consecutive months.

Earned income disallowance can be excluded for a maximum of 48 consecutive months.

18. Other Exclusions

- a. Food Stamps;
- b. Payments to volunteers under the Domestic Volunteer Act of 1973 (VISTA);
- c. Temporary, nonrecurring or sporadic income (including gifts).

K. 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 Tenant Payment is the gross rent minus the prorated assistance.

L. ABSENCE FROM THE UNIT

In calculating Annual and Adjusted Income, the PHA 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 the PHA 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 absence longer than sixty consecutive days must be approved in writing by the PHA Housing Administrator. Any changes in family composition must be reported in writing to the PHA within 15 business days. Families will be counseled at briefing sessions and recertification on the effect family composition may have in determining Voucher size and Total Tenant Payment as well as the PHA'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:

1. 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.

- a. If the agency indicates that the children are expected to be returned 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.
- b. If the children are not expected to ever be returned to the home, the children will be removed from the family composition and the family's subsidy standard will be reduced accordingly.
- c. 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 conversation.

2. Absence of single parent: use of caretaker adult. When a single parent leaves the household for 60 days or more 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.
3. Absence of head of household or spouse due to military service or school. If the head of household or spouse 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.
4. Absence of other family member due to military service or school. If a family member other than the head of household or spouse 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.
5. 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.

6. Absence of All Household Members for Medical Reasons. If all members of the household are absent for 180 consecutive days, but have not moved from the unit, assistance will be terminated. In order to determine if the family is absent from the unit, the PHA will 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.
7. 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 the PHA before being considered a family member and added to the lease.
8. Child Visitors. Children under the age of eighteen (18) may visit a unit for a maximum of ninety (90) consecutive days per year without being considered part of the family, provided the family has the written permission of the owner/landlord.
9. 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 assisted household. "51% of the time" is defined as 186 days of the year, which do not have to run consecutively. If the family includes a child who is temporarily absent from the home due to foster care, the standards in paragraph number 8 above will be used.

M. 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 a time specified by the housing agency.

The PHA's Utility Allowance Schedule is set up according to bedroom size and building type. The family will be given the HUD Form 52667 with the adopted utility allowances for the area in which the subsidy is issued. The utility allowance schedule will include the allowances for all services for each type unit by bedroom size *or voucher size, whichever is the lesser*. 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 Tenant Payment, the PHA will provide a Utility Reimbursement Payment for the family each month. The check will be made out directly to the utility company of the tenant's choice.

In addition, all utilities must be listed in the voucher holder's name or spouse of the voucher holder if they reside in the unit. The family must provide a copy of the utility bill within 30 days of moving into the new unit or changing utility companies. Furthermore, the housing agency will only pay on utilities from the date that the utility receipt/paperwork is provided to the housing agency. This must be a billing statement or letter from the utility company.

Families will be required to provide copies of utility bills at each annual reexamination.

2. Utility Allowance Survey

The PHA 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 in a participant family's rent calculation at their next reexamination.

N. VERIFICATION PROCEDURES

1. Computer Matching and Record Keeping

Where allowed by HUD and/or other State or local agencies, computer matching will be done. The PHA will utilize the HUD established computer-based Enterprise Income Verification (EIV) tool for obtaining social security benefits, Supplemental Security Income, benefit history and tenant income discrepancy reports from the Social Security Administration. When computer matching results in a discrepancy with information in the PHA records, the PHA field staff will follow up with the family and use all verification sources to resolve this discrepancy. If the family has unreported or under reported income, the PHA will follow the appropriate procedures as addressed in the Administrative Plan. When the family furnishes the PHA with a letter or notice from HUD concerning the amount or verification of income, the PHA will verify the accuracy of income information contained in the notice and will, as appropriate, change the amount of total tenant payment, family rent to owner and housing assistance payment, or terminate assistance.

During briefing sessions, the PHA will inform applicants and participants of the availability of these records, and remind them that they must report all sources of income and all statements must be true and accurate.

2. Methods of Verification

In the order presented, the PHA will attempt to obtain:

- a. Up-front or Third-party Verification: Up-front or third-party verification is considered to be the most effective means of verifying information provided for the family. Verification request letters will include a signed copy of the Authorization for the Release of Information permitting the source to release the requested information. The request for third-party verifications will be mailed by the PHA directly to the third-party source and will ask that the verification be returned to the PHA by mail. The PHA will retain the return envelope in the family's file. The PHA will accept some such computer forms, faxes and e-mails directly from the provider as documentation of third-party written verification. Entities known to use computer-generated forms may include, but not limited to:

- Social Security Administration;
- Veterans Administration;
- Department of Family and Children Services;
- Department of Labor;
- Child Support Recovery Unit.

In the event that third-party written verification is not possible due to the unwillingness by the source to respond or in the event that the information is not returned within a reasonable amount of time, staff will be required to note the tenant's file with the reason why and to proceed with the third-party oral verification as the primary source.

- b. Oral verification will be made through a phone call or meeting with the source. When third-party oral verification is used, staff will be required to fill out an Oral Verification Form and retain it in the tenant's file, noting the name of the agency contacted, the full name and title of the person they spoke to, the date of the conversation, and the complete facts from the conversation including the reason for the contact. The staff member shall sign the form. The staff member should continue to follow-up to obtain written verification.
- c. Applicant Certification/Self-Declaration(s)
When third-party verification, or computer generated forms supplied by the tenant, cannot be obtained, applicants will be required to submit a signed declaration statement, and the family file will be documented giving the reason why third party verification was not used. Signed statements are only to be used as a last resort, when the other forms of verification are impossible to obtain. A family cannot self-certify a disability.

3. Release of Information

At the application and annual recertification stages, families will be asked to sign the Authorization for the Release of Information (HUD Form 9886) and the PHA

Authorization to Release Information form. All family members age eighteen (18) or older will be provided with a copy of the forms for their review and signature. Each form will contain the appropriate family member's signature as proof of:

- a. his or her consent to the "third-party" for release of specified information; and
- b. evidence of his or her understanding of the type and nature of information being sought.

The HUD release form is only to be used to request information from current or previous employers, financial institutions, or the State Department of Labor. All other requests for verification information (including, but not limited to TANF, child support, alimony, pensions, child-care expenses, medical expenses, handicapped assistance expenses, full-time student status, etc.) must be accompanied by a copy of the signed PHA's release form. A family's refusal to cooperate with the HUD prescribed verification system will result in the termination of the household's application or the family's continued assistance and will result in ineligibility status.

4. Social Security and Supplemental Security Income Verification

Initially the PHA will verify the applicant's reported income from Social Security and/or SSI by mailing the written verification to the Social Security Administration. The mailed written verification is used initially due to the HUD's EIV system not being able to match a record for the applicant.

At each participant's recertification, the reported income for Social Security or SSI is verified through HUD's EIV system. If the information is not available in EIV, the PHA may accept written documentation provided by the participant from the Social Security Administration if dated within the last sixty (60) days. Photocopies of social security checks or bank statements are not acceptable forms of verification of SS/SSI benefits because the dollar amount listed may not be the gross benefit amount.

5. Additional Items to be Verified

The following items will be verified:

- a. Decrease in Child Support, Alimony or Regular Contributions and Gifts;
- b. U.S. Citizenship or Eligible Immigrant Status;
- c. All income not specifically excluded by the regulations;
- d. Current Assets, including those assets disposed of for less than Fair Market Value in the preceding two (2) years;
- e. Full-Time Student Status (as defined by the institution for persons carrying the equivalent of what the school considers being full time for "day" students) – includes High School students who are eighteen (18) or over;

- f. Total Anticipated Reoccurring Medical Expenses for families whose head or spouse is sixty-two (62) years of age or older or disabled according to HUD definition;
- g. Child-Care Expenses where it allows an adult family member to be gainfully employed, seek employment or to further his or her education;
- h. Disability Assistance Expenses to include only those costs associated with attendant care or auxiliary apparatus that allows an adult family member to be gainfully employed;
- i. Request for Larger Unit than Applicable under the PHA's subsidy standards (only where family can demonstrate that a larger unit is needed for "medical purposes" or other extenuating circumstances); and
- j. Zero Income Status of a household will be verified initially and every 30 days up to sixty (60) days. The PHA may request a UIV report on these families to determine if there are any monies being received by the families that should be included as income for rent determination purposes.

6. Minimum Income

There is no minimum income requirement, but the staff should use good interviewing skills to determine whether there is income that is not being reported. Families are not required to apply for welfare, but it may be suggested to them.

7. Verification of Income

Specific information must be obtained from up-front or third-party sources to verify the information provided by the family. The following verification information will be considered acceptable by the PHA in the order listed:

a. Employment Income

Any verification form must request the employer to specify the:

- (1) Amount and frequency of pay;
- (2) Dates of employment;
- (3) Effective date of the last pay increase; and
- (4) Probability and effective date of any increase during the next twelve (12) months.

Acceptable forms of verification include:

- Employment verification form completed by the employer and/or tenant supplied three (3) consecutive pay stubs;
- Signed self-declaration statements, affidavits or income tax returns signed by the applicant describing self-employment and amount of income or income from tips and other gratuities;
- Tax form from the previous year earnings.

Applicants and program participants will be requested to sign a release authorizing the PHA to seek information from the Internal Revenue Service for further verification of income, if there is doubt regarding the amount and/or sources of income.

b. Pensions, Disability Income, Unemployment Compensation

- (1) Benefit verification form completed by agency providing the benefits;
 - (2) Award or benefit notification letters prepared and signed by the authorizing agency.
- c. Social Security, Supplementary Security Income (SSI)
- (1) Benefit information supplied by family;
 - (2) Annual Benefit and Discrepancy Report from Social Security Administration.
- d. Temporary Assistance for Needy Families (TANF)
The Department of Family and Children Services computer generated statements as to type and amount of assistance the family is now receiving, and any changes in assistance expected during the next twelve (12) months.
- e. Alimony or Child Support Payments
- (1) Third-party verification from the Child Support Recovery Unit. The last three (3) months of child support check stubs will be annualized to determine the anticipated income for the coming year.
 - (2) Signed Verification of Child Support/Alimony/Regular Contributions and Gift Form from the person paying the support.
 - (3) Applicant's Child Support/Alimony/Regular Contributions and Gift Self-Declaration Form.
If payments are irregular:
 - (a) Statement from Child Support Recovery Unit;
 - (b) Applicant's Child Support/Alimony/Regular Contributions and Gift Self-Declaration Form.
- f. Net Income from a Business
The following documents show previous income. The PHA must consult with applicants and use this data to estimate income for the next twelve (12) months.
- (1) IRS Tax Return, Form 1040, including any:
 - (a) Schedule C (Small Business);
 - (b) Schedule E (Rental Property Income);
 - (c) Schedule F (Farm Income).
 - (2) An accountant's calculation of depreciation expense, computed using straight-line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement.)
 - (3) Financial statement(s).
 - (4) Loan Application listing income derived from the business during the previous twelve (12) months.
 - (5) Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six (6) months (or lesser period if not in business for 6 months) to project income for the next twelve (12) months. The family will be advised to maintain these documents in the future if they are not available.
 - (6) Applicant's signed self-declaration statement or affidavit as to net income, including tips, realized from the business during previous years.
- g. Child-Care Business
If an applicant/participant is operating a licensed child-care business, income will be verified as with any other business. However, if the child-

care business is a “cash and carry” operation (which may or may not be licensed) verification of income received may be more difficult. The PHA will require that the applicant/participant complete and sign a self-declaration statement including the names of clients, phone numbers, number of hours child-care is provided, method of payment (check/cash), and the signatures of the clients certifying to amounts paid for child-care. If the family has filed a tax return, the family will be required to provide it.

h. Recurring Gifts

- (1) Verification of Child Support/Alimony/Regular Contributions and Gifts Form signed by the contributor.
- (2) Child Support/Alimony/Regular Contributions and Gifts Self-Declaration Form signed by the applicant/participant.

i. Up-Front Verification

Garland Housing will obtain electronic verification of certain benefits, earned income and unemployment. Verification obtained in this manner is referred to as upfront income verification tools. When this type of verification is available, the PHA will use it first for obtaining income information during and/or after mandatory reexaminations. Examples are:

- Computer matching agreements with federal, state or local government agencies or a private agency (e.g. The Work Number)
- Use of HUD’s EIV (formerly UIV System)
- Child Support (Attorney General online child support information)
- IRS Letter 1722

GHA will use the following EIV tools to verify earned income-wages, salaries, Social Security, Unemployment Benefits and other State Benefits (TANF) if and when it becomes available. EIV Information will be printed from the HUD website on all family members to verify a resident’s eligibility for participation and to determine the anticipated annual income and/ or discrepancies in the family’s reported income.

1. Income discrepancies- The PHA will identify substantial differences in cases where UIV income data differs from tenant-provided and/or other verified income information. HUD defines substantial difference as one that is \$200 or more per month. The family(s) reported income will be matched up with the EIV tools, the written third (3rd) party verification and the tenant self-declaration of reported income the family income/rent calculation will increase and the family will be placed on a repayment agreement and/ or terminated (if the amount owed is \$5000 or more) from the program and turned over to HUD’s Office of Inspector’s General (OIG) for prosecution of the family.
2. If UIV Income is not Substantially Different than Tenant-Provided Income Information. UIV may alleviate the need for 3rd party verifications when there is not substantial difference between UIV and tenant-reported income. In cases where the UIV income data is **not** substantially different than Tenant-reported income, the PHA will follow guidelines below:
 - If UIV income data is less than current tenant-provided documentation, the PHA will use tenant provided documents to calculate anticipated annual income

- If UIV income data is more than current tenant-provided documentation, the PHA will use UIV income data to calculate anticipated annual income unless the tenant provides the PHA with documentation of a change in circumstances (i.e. change in employment with current employer, reduction in hours, etc.) Upon receipt of acceptable tenant-provided documentation of a change in circumstances, the PHA will use tenant provided documents to calculate anticipated annual income.
- If the family agrees to the discrepancy, the family will be placed on a repayment agreement (if less than \$5,000) and/or terminated from the program (if amount owed is \$5,000 or more). If the amount owed is \$5,000 or more the family will be turned over to the OIG's office for investigation and prosecution.

3. If UIV Income Data is Substantially Different than Tenant-Provided Income Information

In cases where UIV income data is substantially different than tenant-reported income and the tenant disagrees with the discrepancy:

- The PHA will request written 3rd party verification from the discrepant income source, in accordance with 24CFR 5.236(3)(i)
- The PHA should review historical income data, when the PHA cannot readily anticipate income, such as in cases of seasonal employment, unstable working hours, and suspected fraud.
- The PHA must analyze all data (UIV data, third party verifications and documents/information provided by the family) and attempt to resolve the income discrepancy.
- The PHA will use the most current verified income data (an historical Income data if appropriate) to calculate anticipated annual income.
- The family will be placed on a repayment agreement (if amount owed is less than \$5000) and/or terminated (if amount owed is \$5000 or more) from the program
- Verified unreported income and/or under reported income, the current rent will be recalculated and the family will be required to pay an increased rent after thirty(30) days reasonable notice and/or placed on a repayment agreement and/or terminated from the program.

4. Monitoring the EIV Deceased Tenants Report

- The deceased tenant list in the EIV system will be viewed on a monthly basis during the Annual Recertification by the FSS Representative to obtain any participant and/or family member that has been reported deceased. The staff will take the appropriate action in removing the deceased person from the family composition which could cause a reduction in the bedroom size, payment standard, and the Agency housing cost or ending the participation of the family.

- The GHA will also rely on landlords, no responses from letters sent to participants during the annual recertification for reporting deceased tenants or between the recertification periods. The FSS representative will view the deceased tenant list in the EIV and document the file that the necessary changes to the family composition has been completed.
- The FSS Supervisor will monitor the list monthly to ensure that the staff is removing deceased household members from the Housing Choice Voucher Program and making the appropriate action in order to reduce the housing cost.

8. Verification of Asset Income

a. Family Assets Now Held

To determine the current cash value (i.e., the net amount that would be received if the asset were converted to cash) of non-liquid assets, the PHA will use the following types of information:

- (1) Verification forms, letters, or documents from financial institutions, brokers, etc.
- (2) Passbooks, checking account statements, certificates of deposit, bonds, or financial statements from a financial institution or broker.
- (3) Market appraisals prepared by stockbrokers (for securities) or real estate agents (for real estate) received directly from the agent.
- (4) Real estate tax statements, if tax authority uses approximate market value.
- (5) Copies of closing documents from the closing attorney or real estate agent indicating the sales price, distribution of the sale proceeds and the net amount to the Housing Choice Voucher applicant/participant.
- (6) Appraisals of personal property held as an investment.
- (7) Applicant's signed self-declaration statements or signed affidavits describing assets or cash held at the applicant's home or in safe deposit boxes.
- (8) Net income from a business.

b. Assets disposed of for less than Fair Market Value (FMV) during Two Years Preceding Effective Date of Certification or Recertification

- (1) For all certifications and recertifications, the PHA will obtain the family's certification as to whether any member has disposed of assets for less than fair market value during the two (2) years preceding the effective date of the certification or recertification.
- (2) If the family certifies that they did dispose of assets for less than fair market value, the family will provide certification of: (a) all assets disposed of for less than FMV; (b) the date(s) on which the assets were disposed of; (c) the amount the family received; and (d) the market value at the time of disposition.

c. Savings Account Interest Income and Dividends

- (1) Account statements, passbooks, certificates of deposit, etc., if they provide sufficient information and are prepared or signed by the financial institution.

- (2) Broker's quarterly statements showing the value of stocks or bonds and the earnings credited the applicant.
- (3) IRS Form 1099 from the financial institution, adjusted by the PHA to project earnings for the next twelve (12) months.
- d. Interest Income from Sale of Real Property Pursuant to a Purchase Money Mortgage, Installment Sales Contract, or Similar Arrangement
 - (1) A letter from the accountant, attorney, real estate broker, buyer, or a financial institution stating interest due for next twelve (12) months. (A copy of the check paid by the buyer to the applicant is not sufficient since appropriate breakdown of interest and principal is not included.)
 - (2) Amortization schedule showing interest for the twelve (12) months following the effective date of the certification or recertification.
- e. Rental Income from Property Owned by Applicant
 These amounts must be adjusted by the PHA to indicate anticipated income for the next twelve (12) months.
 - (1) IRS Form 1040 with Schedule E (Rental Income);
 - (2) Copies of latest rent checks, leases, or utility bills;
 - (3) Documentation of applicant's income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedules showing monthly interest expense).
 - (4) Lessee's written statement identifying monthly payments due the applicant and applicant's affidavit as to net income realized.

9. Verification of Allowable Deductions from Income

- a. Full-Time Student Status
 - (1) Written verification from the registrar's office or appropriate school official.
 - (2) School records indicating enrollment for a sufficient number of credits to be classified as a full-time student by the school.
- b. Child-Care Expenses
 - (1) Written verification from the child-care provider specifying the child-care provider's name, address, and phone number, the names of the children cared for, the frequency (number of times the child-care occurs), the rate of pay, and the typical yearly amount paid, including school and vacation periods.
 - (2) Applicant's certification as to whether any of those payments have been or will be paid or reimbursed by outside sources.
- c. Medical Expenses
 The term "incurred" shall mean expenses "actually paid for."
 - (1) Applicant's certification as to whether any of those payments have been or will be reimbursed by outside sources.
 - (2) Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, etc., of:

- the estimated medical costs to be incurred by the applicant and/or regular payments due on medical bills; and
 - the extent to which those expenses will be reimbursed by insurance or a government agency.
- (3) The insurance company’s or employer’s written confirmation of health insurance premiums to be paid by the applicant.
- (4) Social Security Administration’s written confirmation of Medicare premiums to be paid by the applicant over the next twelve (12) months.
- (5) For attendant care:
- Doctor’s certification that the assistance of an attendant is medically necessary as well as the hours that care is required.
 - Attendant’s written confirmation of hours of care provided; amounts and frequency of payments received from the family or agency (or copies of canceled checks showing payment).
 - Applicant’s certification as to whether any of those payments have been or will be reimbursed by outside sources.

Supporting Documents

The following items may be used to support certified statements or third-party verifications only. Documents received directly from the family are not acceptable forms of verification. These documents will be placed on the Correspondence side of the family file.

- Receipts, canceled checks, or pay stubs that indicate health insurance premium costs, etc., that verify medical costs and insurance expenses also likely to be incurred in the next twelve (12) months.
- Copies of payment agreements with medical facilities or canceled checks verifying payments made on outstanding medical bills that will continue over all or part of the next twelve (12) months.
- Receipts or other records of medical expenses incurred during the past twelve (12) months that can be used to anticipate future medical expenses. This approach will be used to estimate “general medical expenses” such as non-prescription drugs and regular visits to doctors or dentists, but not for one-time, non-recurring expenses from the previous year.
- Medical insurance deductible amounts will be used as a medical expense if the total medical expenses exceed this deductible amount.

d. Medical Need for Larger Unit

A reliable medical source (such as doctor, nurse, or other health care provider) must certify that such arrangements are medically necessary.

e. Assistance to Disabled Attendant Care:

- Attendant's written certification as to: amount received from the applicant/participant or agency; frequency of receipt of amounts paid; hours of care provided; and/or copies of canceled checks applicant/participant used to make those payments;
- Certifications required in paragraph 3(b) below and/or copies of canceled checks applicant/participant used to make those payments.

Auxiliary Apparatus:

- Receipts for purchase of, or evidence of monthly payments for, auxiliary apparatus;
- In cases where the disabled person is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

In All Cases:

- (1) Written certification from a doctor or a rehabilitation agency that the disabled person requires the services of an attendant or the use of auxiliary apparatus to permit the disabled person to be employed or to function sufficiently independently to enable another family member to be employed;
- (2) Family's written certification as to whether they receive reimbursement for any of the expenses in paragraphs 1 and 2 above and the amount of any reimbursement received.

10. Verifying Non-Financial Factors

In order to prevent program abuse and determine eligibility for allowances and deductions, the PHA will require applicants and participants to furnish acceptable verification of legal identity, marital status, familial relationships, change in family composition, disability status, and citizen status.

a. Legal Identity

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

- (1) Certificate of Birth;
- (2) Naturalization Papers;
- (3) Valid Driver's License;
- (4) U.S. Passport;
- (5) State Identification Card;
- (6) Baptismal Records;
- (7) U. S. Military Papers;
- (8) Life Insurance Policy;
- (9) School Records;

Acceptable verification of legal identity for children includes one or more of the following:

- Certificate of Birth;

- Adoption Papers;
- Custody Agreement;
- Health and Human Services Identification Card;
- School Records;
- Court Order.

b. Marital Status

A marriage certificate is the only acceptable verification of marital status. To verify divorce status, a copy of all parts of the final divorce decree is required. Verification of a legal separation is a copy of court-ordered maintenance or other court records.

Applicants and/or participants who claim to be related by marriage will be required to furnish proof in the form of legal certificate of marriage. When there are multiple marriages, the last current marriage license must be provided.

c. Familial Relationships

Certification will normally be considered sufficient verification of family composition. In cases where reasonable doubt exists regarding specific family members, the family will be required to provide copies of the documents listed in this section. Applicants and/or participants who claim to be related by blood should be required to submit proof in the form of a personal identification which is acceptable to the PHA, such as marriage License, Driver's License, work ID, etc.

d. Stable Family Relationship (timeframe: at least 1 full year)

- (1) Joint bank accounts, purchases or loans;
- (2) Prior or current lease or rental agreements showing cohabitation;
- (3) Credit report showing residence and joint financial activity;
- (4) Life insurance policy.

e. Guardianship

- (1) Court-ordered assignment;
- (2) Verification from social services agency;
- (3) School records.

It is possible to have what appear to be two families in the same household (such as mother and father and daughter with her own children). However, because they have applied as one family, they are considered to be one family.

f. Permanent Absence of Adult Member

If the family reports permanently absent an adult member who was formerly a member of the household, the PHA will consider any of the following as verification:

- (1) Husband or wife institutes divorce action or requests legal separation;
- (2) Order of protection/restraining order obtained by one family member against another;

- (3) Proof of another home address, such as utility bills, lease, or rent receipts;
- (4) Statement from the landlord or manager that the family member is no longer living at that location; or
- (5) If the family member is incarcerated, a document from the court or prison providing information on the term of incarceration.

g. Disability

Verification form signed by a physician indicating that the person meets HUD's criteria, letters regarding qualification for SSI payments, or proof of residence in an institution or documentation showing hospitalization for a disability.

h. Citizen/Eligible Immigration Status

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

Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants will be delayed while the PHA hearing is pending.

- (1) Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.
- (2) Eligible Immigrants, who were Participants and sixty-two (62) or over on June 19, 1995, are required to sign a declaration of eligible immigration status and provide proof of age.
- (3) Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The PHA verifies that status through the CIS SAVE system. If this primary verification fails to verify status, the PHA must request secondary verification through the CIS within ten (10) days.
- (4) Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the family member or, if the family member is a minor, the person who is responsible for the minor.

i. Failure to Provide

Applicant or participant family members who fail to sign required declarations and consent forms or provide documents, as required, will be listed as ineligible members. If the entire family fails to provide and sign as required, the family will be denied or terminated for failure to provide required information.

j. Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination. For participants, verification will be completed at the first regular recertification after June 19, 1995. For family members added after other members have been verified, the verification occurs at the first recertification after the new members move in. Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial PHA does not supply the documents, the PHA must conduct the determination.

k. Extension of Time to Provide Documents

Extensions must be given for persons who declare their eligible immigration status but need time to obtain the required documents. The length of the extension shall be based on individual circumstances. The PHA will generally allow thirty (30) days to provide the document or receipt issued by the CIS for issuance of replacement documents.

l. Acceptable Documents of Eligible Immigration Status

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

- (1) Resident Alien Card (I-551);
- (2) Alien Registration Receipt Card (I-551);
- (3) Arrival-Departure Record (I-94);
- (4) Temporary Resident Card (I-688B);
- (5) Employment Authorization Card (I-688B);
- (6) Receipt issued by the CIS for issuance of replacement of any of the above documents that shows the individual's entitlement has been verified.

A birth certificate is not acceptable verification of status. All documents in connection with U.S. citizenship/eligible immigrant status must be kept a minimum of five (5) years.

V. 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

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:
The PHA will not discourage the family from choosing to live anywhere in the PHA's jurisdiction, or outside the PHA'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, the PHA must 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, the PHA must give the family a packet that includes information on the following subjects:

1. The initial time to locate a unit and PHA policy on any extensions or suspensions of the term. If the PHA allows extensions, the packet must explain how the family can request an extension;
2. How the PHA 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. For the voucher program, information on the payment standard and the PHA utility allowance schedule;
4. How the PHA 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 the PHA's jurisdiction under portability procedures, 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 PHA approval to lease a unit;
9. A statement of the PHA policy on providing information about a family to prospective owners/landlords;
10. PHA subsidy standards, including when the PHA will consider granting exceptions to the standards;
11. The HUD brochure on how to select a unit;
12. The HUD lead-based 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 the PHA who may be willing to lease a unit to the family, information on www.gosection8.com, 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 the PHA that will be available;
16. Family obligations under the program;
17. The grounds on which the PHA will terminate assistance for a participant family because of family action or failure to act;
18. PHA informal hearing procedures. This information must describe when the PHA is required to give a participant family the opportunity for an informal hearing, and how to request a hearing;
19. HQS Checklist;
20. Procedures for notifying the PHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair;
21. Requirements for reporting changes between certifications.

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, 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. The Housing Administrator will review requests for extensions. The family must provide documentation regarding circumstances which prohibited them from searching for a unit. The FSS Coordinator will notify the family in writing of the approval of the extension or that the voucher has expired.

2. The PHA staff will review with the family the efforts it has made to find a suitable dwelling unit and the problems it has encountered. The staff shall offer advice or assistance which may be helpful in assisting the family locate appropriate and affordable housing. If the PHA determines there is a reasonable possibility that the family cannot locate suitable housing, the PHA 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 will grant a family a suspension of the term if the family has submitted a Request for Tenancy Approval during the term of the voucher. The RTA must be returned to the office in person by no later than 5:00 p.m. of the voucher expiration date. If the voucher expires on a weekend or holiday observed by the PHA, the voucher will expire at 5:00 pm on the next business day.

E. OCCUPANCY STANDARDS (pursuant to Federal Register, December 22, 1998)

The PHA's occupancy standards are listed below:

Housing Choice Voucher Size	Min. No. of Persons in Household	Max. No. of Persons in Household	Unit Size	Maximum Occupancy Assuming a Living Room is used as a Living/Sleeping Area
0-BR	1	1	0-BR	1
1-BR	1	2	1-BR	4
2-BR	2	4	2-BR	6
3-BR	4	6	3-BR	8
4-BR	6	8	4-BR	10
5-BR	8	10	5-BR	12
6-BR	10	12	6-BR	14

1. Eligible families will be issued vouchers based on the PHA's subsidy standards. Units shall be occupied by families of the appropriate size (revised 2/10/2010)
2. Generally, two people are expected to share each bedroom, except that vouchers will be assigned based on the smallest size voucher. The following principals govern the size of the voucher that a family will be issued:

- (a) Two (2) people to a room will be required to share a room regardless of the sex or age. The PHA may approve an exception to the rule for a person with disabilities that requires a live in attendant by allowing an additional bedroom to provide for reasonable accommodations. The need for an additional bedroom must be verified by a medical professional, the family composition and circumstances must justify the exception and the PHA must approve an additional bedroom.
 - (b) Although an unborn child will be counted as a family member in determining voucher size the family will receive the smaller size bedroom. A single expectant mother with no other family members will be assigned to a 1-bedroom.
 - (c) In determining unit size, GHA will count a child who is temporarily away from the home because the child has been placed in foster care, kinship care, or is away at school.
- 3. Two persons per bedroom will be used as the standard for the smallest vouchers a family will be assigned. The PHA must make the case that such occupancy levels will not have the effect of discriminating on the basis of familial status.
 - 4. If a person with disability requires a live-in-aide and the live-in-aide has a family of two or more the bedroom size will be determined by using the smallest size bedroom. Overcrowded conditions will also be taken into consideration when determining the smallest size unit for a family.

The PHA may approve an additional bedroom for medical equipment to provide for reasonable accommodations. The PHA will only approve one (1) additional bedroom to be utilized for medical equipment. The medical equipment must be verified by a medical professional and warrants an additional bedroom.

- 5. Under the voucher program, the family may select a smaller unit, provided the unit has at least one living/sleeping room for every two people. Their payment standard will be based on the smallest voucher size. The family may also choose to select a larger unit, although their payment standard will be based on the unit size described above.

VI. HOUSING QUALITY STANDARDS AND INSPECTIONS

A. APPLICABLE QUALITY STANDARDS

Any housing unit contracted with the PHA will meet the minimum Housing Quality Standards (HQS) as set forth in 24 CFR 982.401. Local housing codes adopted by PHA must meet or exceed HQS requirements.

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 whether 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 the PHA once repairs are completed.
 3. The owner/landlord will be given up to fourteen (14) days to correct the items noted as Fail, 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, within the allotted time frame.
 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.
 6. For PHA's with more than 1250 budgeted units, and inspection must be conducted within a reasonable time after the family submits a request for lease approval. If possible, the inspection should be made within fifteen (15) days from the date the unit is available for inspection.
 7. The owner and/or landlord will be responsible for ensuring the utilities are on at the time of inspection.

C. ANNUAL/*BIENNIAL* HQS INSPECTIONS

1. Annual inspections shall be conducted *at least biennially*. Biennial inspections may be applied to units that have consistently passed in years prior. Units eligible for biennial inspections are determined after the annual inspection is completed at the discretion of the inspector with approval from the Housing Administrator.
2. HQS deficiencies which cause a unit to fail must be corrected by the owner/landlord unless it fails for which the resident is responsible.
3. The landlord and/or family must allow the PHA to inspect the unit at reasonable times with reasonable notice.
4. Reasonable hours to conduct an inspection are between 7:00 a.m. and 6:00 p.m.
5. The landlord and/or family shall be notified in writing at least 10 calendar days prior to the inspection for annual inspections.

6. If the landlord and/or family miss two (2) inspection appointments, the PHA will consider the family to have violated a Family Obligation and their assistance will 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 received written or verbal notification.
 - b. For non-emergency items, repairs must be made within thirty (30) calendar days. However, the inspector will have the discretion of requiring certain non-life threatening repairs to be made sooner. Such discretion will be applied to all cases.
 - c. Extensions will 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 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 will be abated or the contract terminated.
 - e. On all non-life threatening repair items, the HQS inspector, at their discretion, can accept verification of the repair through means other than on-site visits. Proof of repairs must be through verifiable means (i.e. picture of repair or completed repair invoice). Arrangements must be made with the inspector by the landlord or tenant prior to the due date of the repairs. Failed items remotely approved may need to be verified on the next inspection.

D. SPECIAL/COMPLAINT INSPECTIONS

1. If at any time the family or owner/landlord notifies the PHA that the unit does not meet Housing Quality Standards, an inspection will be conducted. For non-emergency items, the family is required to provide written notice to the owner/landlord and allow them a reasonable timeframe for the repairs to be complete.
2. The PHA 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 inspector will provide the owner/landlord a notice with a copy of the inspection report identifying the HQS violations.

5. If the anniversary date is within 90 days of a special inspection, the special inspection may be categorized as “Annual” and all annual procedures will be followed.

E. QUALITY CONTROL INSPECTIONS

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 informational, 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 twenty-four (24) hours of written or verbal notice by the Inspector. Life-threatening deficiencies are at the discretion of the inspector, but include any items that can cause harm or possible harm to the occupants. Examples include, but are not limited to, loss of environmental controls necessary for heating or cooling during extreme temperatures.
2. If the emergency repair item(s) are not corrected in the time period required by the PHA 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 will 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 the PHA, 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 sixty (60), depending on the nature of the repair(s) needed. Abatement withholdings will be based on the daily HAP amount at the time when the abatement period began.
- b. The PHA will make every effort to inspect abated units within five (5) to seven (7) days of the owner's/ landlord's notification that 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. The PHA will advise owners/landlords and resident of when the re-inspection will take place and request owner/landlord/resident to be present.
- f. 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 the deficiencies cited prior to the repair deadline or extension, the contract will be terminated.

H. DETERMINATION OF RESPONSIBILITY

1. Certain HQS deficiencies are considered the responsibility of the family:
 - a. Resident-paid utilities not in service;
 - b. Damaged or tampered utility meters;
 - c. Failure to provide or maintain family-supplied appliances;
 - d. 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.
 - e. Smoke detector maintenance after initial move-in, unless specified in the lease.
 - f. Failure to allow entry into the unit for inspection. This includes tenant No-Shows.
2. The owner/landlord is responsible for all other HQS violations.
3. The owner/landlord is responsible for vermin infestation unless it can be determined that such infestation is caused by the family's living habits. If such infestation is serious and repeated, it will be considered a lease violation and the owner/landlord may evict for serious or repeated violation of the lease. The PHA will 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, the PHA will terminate assistance to the family. Extensions in these cases must be approved by the Housing Administrator. 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.

J. ZERO TOLERANCE POLICY

The PHA has a Zero Tolerance Policy.

1. For participants whose original contracts were signed prior to October 1, 1995: If after a move-out inspection is performed, damage to the unit which exceeds the dollar value of one month's contract rent is found, the tenant will have six (6) months to pay the damage claim. During that time the tenant will not be issued another Voucher until the damages are paid in full. If, the damage claim is not repaid in six (6) months, the tenant's assistance will be terminated.
2. For participants whose contracts were signed after October 1, 1995 (not covered by damage claims): If after a move-out inspection is performed, damage to the unit is found which exceeds the dollar value of one month's contract rent, the tenant will no longer be eligible for continued housing assistance. The owner/landlord must provide the GHA with a written invoice of the damages and estimated cost within fourteen (14) days of the failed move out notice. If the tenant and landlord have agreed to make restitution on the damages that is approved by the PHA the tenant may move with continued assistance.

Tenants, who lose their assistance because of damage to an assisted unit, will be able to reapply for housing assistance after being off the program for 1 full year. This means that they will receive no rental assistance from the Garland Housing Agency until such time as they are able to submit an application, verify all information and be found eligible again. The Voucher that was removed through this policy will be promptly reissued to the next family on the waiting list.

VII. REQUEST FOR TENANCY APPROVAL, RENT REASONABLENESS, DISAPPROVAL OF OWNERS/LANDLORDS, EXECUTION OF LEASE AND HAP CONTRACT, AND RENT INCREASE

A. REQUEST FOR TENANCY APPROVAL

1. The original Request for Tenancy Approval (RTA) must be submitted by the family during the term of the assistance/period of Housing Choice Voucher.
2. The Request for Tenancy Approval must be signed by both the owner/landlord and the family holder before it can be accepted by the PHA.
3. The family is not permitted to submit more than one Request for Tenancy Approval at a time.
4. The Request for Tenancy Approval will be reviewed to determine whether or not it is approvable.
5. Proof of ownership and/or receipt of payment will be required at the initial RTA submission and at any changes of ownership.

B. RENT REASONABLENESS DETERMINATION AND DOCUMENTATION

1. The PHA will not approve a lease until it is determined that the initial rent to the owner/landlord is a reasonable rent. The PHA must also determine the reasonable rent before any increase in the rent to the owner is approved, and at the HAP contract anniversary 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. The PHA will also determine rent reasonableness when the owner/landlord requests an increase in the rent for a voucher unit.
3. 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 will be used to certify that the requested rent is reasonable in relation to rents being charged for unassisted units:
 - a. PHA 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 will be recorded on a Rent Reasonableness Determination (RRD) form. This form will 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 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. The PHA may also utilize computer based resources to determine rent reasonableness (i.e. www.gosection8.com).
7. The PHA must re-determine rent reasonableness if directed by HUD. The PHA may elect to re-determine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner/landlord will not exceed the reasonable rent as most recently determined or re-determined by the PHA.
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; and
 - c. the assisted family is not in violation of lease obligations; and
 - d. the owner/landlord is in compliance with the terms of the Housing Choice Voucher HAP contract.

C. DISAPPROVAL OF OWNERS/LANDLORDS

The PHA will disapprove an owner/landlord for one or more of the following reasons:

1. The PHA must not approve a unit if it has been informed (by HUD or otherwise) that the owner/landlord is debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24;

2. The owner/landlord has violated obligations under a Housing Assistance Payments contract under Housing Choice Voucher of the 1937 Act (42 U.S.C. 1437f);
3. The owner/landlord has committed fraud, bribery or any other corrupt, criminal or violent criminal activity in connection with any Federal housing program;
4. The owner/landlord has engaged in drug-trafficking;
5. The owner/landlord has a history or practice of non-compliance with the HQS for units leased under the resident-based programs, or with applicable housing standards for units leased with project-based Housing Choice Voucher assistance or leased under any other Federal housing program. This is defined as an owner's/landlord's inability or refusal to comply with HQS resulting in three (3) or more abatements on any property owned by the owner/landlord, within a five (5) year period. Furthermore, Garland Housing Agency will not contract for any new move-ins with this owner/landlord for twenty-four (24) months from the date of the last abatement.
6. The owner/landlord refused, or has a history of refusing, to take action against residents (including household members or guests) who constitute:
 - a. a threat to the health or safety of, or right to peaceful enjoyment of the premises by other residents or employees of the PHA, an owner/landlord, or other manager of the housing;
 - b. threat to the health or safety of, or right to peaceful enjoyment of the residences by persons residing in the immediate vicinity of the premises;
 - c. a threat by being involved in drug-related or violent criminal activity.
7. When directed by HUD, the PHA must not approve a unit if:
 - a. 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 actions are pending; or
 - b. A court or administrative agency has determined that the owner/landlord violated the Fair Housing Act or other Federal equal opportunity requirements; or
 - c. If the owner/landlord is the parent, child, grandparent, grandchild, sister or brother of the family, unless the PHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities. Stepchildren are eligible as they are not included in section 982.306 (d).
 - d. This restriction does not apply to continued tenant based assistance in the same unit.

The provision governing PHA disapproval of the owner/landlord does not apply when a family enters into a new tenancy in the same assisted unit. (See 24 CFR Sec. 982.306)

D. EXECUTION OF THE LEASE AND CONTRACT

1. The PHA will recommend the use of a standard lease.
2. If the owner/landlord does not use the standard lease, the owner/landlord and resident must execute the HUD mandated Lease Addendum after the owner's/landlord's lease is approved by PHA.
3. The effective date of the lease and HAP Contract shall be on the same date or after the unit passes the HQS inspection.
4. The lease and contract should be executed within thirty (30) days of the effective date.
5. The lease must be consistent with state and local laws.
6. The lease must be generally applied to all residents.
7. Defines "resident's legal capacity" as having legal capacity under state and local law and that "the resident is bound by the terms of the lease and will enforce the lease against the owner".
8. At a minimum, the lease must include:
 - a. the residents' 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 by the resident;
 - e. clarifies conditions under which execution of a new HAP contract and PHA approval of the lease would be required:
 - change in owner/landlord or resident provided utilities or appliances;
 - changes in the term of the lease;
 - family move to a new unit in the same building or complex.
9. Change in rent does not necessitate a new contract.

E. RENT INCREASES

1. The owner/landlord must request a rent increase in writing at least sixty (60) days in advance of anniversary date of the contract. The PHA will review each increase to determine whether or not the request is justified.
2. The adjustment in the rent will be:
 - the rent reasonableness determination.

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

F. MANUFACTURED HOMEOWNERS LEASING PAD

The subsidy amount for expenses associated with pad leasing for mobile homeowners have been increased from thirty percent (30%) of the two-bedroom FMR to forty percent (40%).

G. LATE CHARGES

The Garland Housing Agency Housing Administrator will determine whether or not late charges will be paid. If a decision is made to pay a late charge it must be paid according to state and local law. Any other request will be given consideration but will not be paid if determined unreasonable, by the PHA.

VIII. PAYMENT STANDARDS

- A. Each year, the PHA 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 the PHA's participants are paying a family share above thirty percent (30%) of adjusted monthly income.
- B. When the Payment Standard is adjusted, staff will make the appropriate changes during the family's annual reexamination.
- C. Factors that the PHA will 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 applicable annual adjustment factor(s) which may be an indication of the prospective average percent of rent increases;
 7. the average time period for finding eligible housing;

8. rent reasonableness data;
 9. the local vacancy rate; and
 10. prior approved rent exceptions will apply.
- D. If the payment standard is decreased, affected families are protected from having their family share increased as a result of the first twenty-four (24) months of the HAP contract. The regulations stipulate that during the time, the family's payment standard is:
1. The initial payment standard used for the family while under the contract (minus any amount by which the initial rent to owner exceeds current rent to owner); or
 2. The payment standard determined at the family's most recent regular reexamination.

E. **MAXIMUM INITIAL RENT BURDEN**

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

F. **PROCEDURES FOR EVALUATION**

During the annual evaluation process, the PHA will 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.

IX. OWNER/LANDLORD RESPONSIBILITY FOR SCREENING RESIDENTS

A. **OWNER/LANDLORD SCREENING**

1. Listing a family on the PHA waiting list, or selecting a family for participation in the program, is not a representation by the PHA to the owner/landlord about the family's expected behavior, or the family's suitability for tenancy. At or before PHA approval to lease a unit, the PHA must inform the owner/landlord that the PHA has not screened the family's behavior or suitability for tenancy and that such screening is the owner's/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, the PHA must give the owner/landlord:
 - a. The family's current address (as shown in the PHA records); and
 - b. The name and address (if known to the PHA) of the owner/landlord at the family's current and prior address.
 - c. Information in the PHA possession about the family, including information about the tenancy history of family members, or about drug-trafficking by family members
2. When a family wants to lease a dwelling unit, the PHA will offer the owner/landlord other information in the PHA possession, about the family, including information about the tenancy history of family member, or about drug-trafficking by family members. If the PHA 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 the PHA will be provided. The PHA's legal counsel will approve the written procedures.
3. The PHA must give the family a statement of the PHA's policy on providing information to owners/landlords. The statement must be included in the information packet that is given to a family selected to participate in the program.
4. The PHA will limit use and disclosure of family information obtained through release and consent procedures solely for program administration purposes.

X. PAYMENTS TO OWNERS/LANDLORDS

A. CONTROLS AND ACCOUNTABILITY

1. All payments are computed according to HUD approved formulas and schedules.
2. New contracts are dated on or after the unit have been approved.
3. Computations are reviewed before being submitted to the Finance department for payment.
4. A payment register is maintained to monitor timeliness and accuracy.

5. The owner/landlord will 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.
6. The GHA will not pay HAP for units not under contract. Tenants that move in early prior to the contract being signed by the landlord and GHA will be responsible for paying the rent until the contract has been approved. The housing administrator can waive these under certain circumstances.
7. GHA will pay HAP payments for the month in which a person dies and no further months will be paid. In addition, if a family has given notice to move and they vacate the unit prior to the end of the month, the monthly HAP will be prorated and if a family moves into a unit after the 1st of the month, the HAP payment will be prorated for the month.

B. BASIC PROCEDURES

1. Annual rent increases are effective the first of the month.
2. Request for payments are submitted by no later than the 3rd week of each month to insure that payments can be reviewed for accuracy and so that payments are made in a timely manner to the owners/landlords.
3. All Housing Assistant Payment (HAP) will be made by direct deposits to the landlord.

C. HAP LATE PAYMENTS TO OWNERS/LANDLORDS (24 CFR Sec. 982.451)

HAP contract provides for penalties against the PHA. 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. PHA will not be penalized for circumstances that are beyond their control; this may include but is not limited to: owner/landlord change in address, owner/landlord change in bank information, availability of housing funds, delay due to mail or postal inefficiency and if notified by the City of Garland that tax information for payment purposes is not consistent with IRS records.
5. The HAP payment is considered received once it has been mailed by the PHA;
6. The first HAP payment of a contract is not considered for a late payment.

XI. ANNUAL AND INTERIM PARTICIPANT RE-CERTIFICATION

A. ANNUAL PARTICIPANT RE-CERTIFICATION

1. Reexamination of family income and composition will be conducted at least annually for families in the Housing Choice Voucher Program. The family will be requested to provide information on income, assets, allowances and deductions, and family composition at least annually.
2. Families will be obligated to supply any information that the PHA or HUD determines is necessary for use in regularly scheduled reexaminations or an interim reexamination.
3. The PHA will conduct a criminal background check for each member of the household who is eighteen years of age or older. The PHA will end assistance for any family with a history of violent crime within the last 10 years or drug activity within the last five except when protected under the Violence Against Women Act.
4. Families must submit consent forms for obtaining wage and claim information from Federal, State, or local agency to furnish or release to the PHA such information determined necessary.
5. The PHA will obtain and document in the family's file the third-party verification received or document why it is not available.
6. The annual re-certification date shall be the first of the month in which the lease was executed.
7. When families move to another dwelling unit, an annual re-certification will be scheduled.
8. Income limits will not be used as a test for continued eligibility at re-certification except when the Head of Household or Co-head has been previously determined to be a non-independent student.
9. Reexamination Notice to the Family
 - a. The PHA will maintain a re-examination tracking system and at least ninety (90) days in advance of the scheduled annual reexamination effective date, the head of household will be notified by mail that she/he is required to attend an reexamination 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 re-certification interview.

- c. If requested as an accommodation by a person with a disability, the PHA 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 annual reexamination appointment.

10. Verification of Information Provided

- a. The PHA will use the highest level of verification methods for wages and salaries. Starting with the Upfront Income Verification (UIV), computer matching a state wage information collection agency (SWICA) to obtain wage information electronically, by mail or fax or in person. Also agreements with private vendor agencies, such as “The Work Number” or “Choice Point: and HUD systems will be used to obtain wage and salary information. When the highest level of verification methods cannot be obtained, the PHA will document the file and use the written third-party verifications whenever possible. If third-party verifications are not returned by the given deadline, oral verification method will be used by contacting the independent source by telephone. Other documents provided by the resident may be used for verification.
- b. The PHA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than one hundred twenty (120) days old.
- c. For families with zero income reexamination 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 completing an expense form at the agency’s request.

B. CHANGES TO TENANT RENT

1. When the family income information is analyzed, and all other annual recertification requirements have been met, the Tenant Rent will be recalculated.
2. The PHA will notify both the owner/landlord and resident in writing of the new rent shares.
3. If there is a tenant rent increase from employment to another employment, Social Security, or VA Benefit increase, the family will be required to report changes at the annual recertification period. The new rent change will go into effect following a full thirty (30) day notice prior to the first of the month. (If there has been misrepresentation by the tenant, or if the tenant caused a delay in the reexamination processing, an increase in rent will be made retroactively).

4. If less than thirty (30) days are remaining before the anniversary date, the tenant rent increase will be effective on the first of the month following the thirty (30)-days' notice.
5. If there is a rent increase from contributions, TANF, and unemployment, self-employment, child support, zero income to employment, or Social Security, VA benefits, pension or any other substantial income the new change will be effective on the first of the next following month prior to the reported change.
6. If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the anniversary date or at the discretion of the PHA, the tenant may be placed on a repayment agreement, terminated from the program if the amount exceeds \$5000 and/or face possible prosecution by the Office of the Inspector General of HUD.
7. If there is a rent decrease, it will be effective on the scheduled effective 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 program, using income for all family members. Proration 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.

C. FAILURE TO RESPOND TO ANNUAL RE-CERTIFICATION 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 re-certification interview, and has not rescheduled or made prior arrangements with the PHA, the PHA will reschedule a second appointment.
3. If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the PHA will 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 notices of a maximum of two (2) scheduled reexamination appointments. Extenuating circumstances may be considered at the discretion of the PHA. The second appointment notice must be mailed within 10 days, allowing the participant ten (10) business days for the next scheduled appointment.

D. INTERIM REEXAMINATIONS

Garland Housing Agency (GHA) will conduct interim reexamination of the family income, family composition and other eligibility factors to adjust the Total Tenant Payment for the following reasons:

Increases

1. Families are required to report all increases and assets within fifteen (15) business days of the date the change takes effect. In order for the change to be processed, program participants must provide all of the necessary/information or documentation necessary to verify the change.
2. GHA will only conduct interim reexaminations when families have an increase in income of \$200 or more per month. When the increase in gross income is less than \$2400 for the year, GHA will wait till the next annual reexamination to verify and re-determine any change in rent.
3. Families participating in the Family Self-Sufficiency (FSS) Program will have an interim reexamination for any increase in earned income. When the increase in unearned income for an FSS family is less than \$2,400 for the year, GHA will wait until the next annual reexamination to verify and re-determine any change in rent.

Decreases

1. GHA will review all changes which should be considered when determining the rent adjustment. GHA will not lower the rent for payments due to a temporary loss of income of less than one month (30 days) or less duration. In circumstances in which the family reports multiple changes to income reported within a short period of time, before verifications can be obtained; the interim change shall reflect the last job reported. (For example, 3 different jobs report for the same member, within a 4 week period, the interim change will reflect the last job reported to GHA.

Temporary or Sporadic Employment

1. For a Family member who worked temporary or sporadic employment for the past 12 months, GHA will anticipate the next 12 months of earnings using the past income to reflect the future income.

Optional Reporting

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982,516(b)(21)]. The PHA must process the request if the family reports a change that will result in a reduced family income [HCV GB p.12-9]

If the family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.6151].

If the family reports a change that was not required to report and that would result in an increase in the family share of rent, the PHA will note the information in the tenant file, but will not conduct an interim reexamination.

If the family reports a change that was not required and that would result in a decrease the Garland Housing Agency will conduct an interim reexamination.

Families that report (0) zero income will be required to complete a no income affidavit and zero income questionnaire. GHA will monitor the family's zero income status every 30 days. The family is required to report income by the end of 60 days or sooner. If the family does not have income by the end of 60 days, GHA will require the family to fill out an expense worksheet and estimate monthly expenses on bills paid, cost of food, gasoline expenses, car payments, contributions from other family members or friends etc. The estimated expenses will be used as income for the family until which time they report other income they are currently receiving.

The family must notify GHA of changes in writing by filling out the Change of Income/Family Composition Form and the attached forms. Changes and verifications of the change must be reported within fifteen (15) business days of the date the change takes effect. Generally the family will not be required to attend an interview for an interim reexamination. However, the family may be required to attend an office appointment, if GHA determines that an interview is warranted.

Effective Dates

If the family share of the rent is to increase:

The increase will be effective on the first (1st) day of the month, 30 days after the change was reported.

If the family fails to report a change within the required timeframe, or fails to provide all required information within the required time frames, the family will be placed on

a 30 day repayment plan and will required to repay the overpaid subsidy in full. If, the repayment of the overpaid subsidy is not paid in full the family will be terminated.

If the family share of rent is to decrease:

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

E. PUBLIC ASSISTANCE BENEFIT CHANGES

1. If the welfare or public assistance benefits of a covered family are reduced because of an act of non-compliance with program requirements or fraud by a member of the family under the law or program, the amount required to be paid by the covered family as a monthly contribution toward the rent will not be decreased as a result of that benefit reduction during the period of reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction). The reduction of benefits due to non-compliance with program requirements or fraud must be verified by written notification from the welfare agency.
2. A family's loss of welfare benefits due to the expiration of the lifetime limit will not be considered as failure to comply and the rent will be lowered.

F. REQUIREMENTS TO ADD TO FAMILY COMPOSITION

The PHA 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 verification, social security numbers and/or proof of guardianship (if applicable) for minors. Failure to provide social security number will result in termination of assistance for failure to comply with program requirements.
 - b. Legal guardianship will be required when the participant is caring for minor children of a relative or friend. Documentation may include verification from the Department of Public Health and Social Services that the participant is the guardian of said minor child.
2. Persons eighteen (18) years of age or older:
 - a. 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:

- (1) 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);
 - (2) Background screening will be conducted for criminal activity prior to authorizing approval to add an adult person to family composition and the PHA will determine, after receipt, of the report the acceptability of this adult member in the same manner other applicants are screened for appropriate behavior.
 - (3) If the individual is found to have no criminal history background check record, the PHA will add the adult member to the family composition.
 - (4) If the individual is found to have a criminal history background record, the PHA may deny the admission and addition to the lease.
 - (5) The PHA will consider any violent criminal or drug-related criminal activity as grounds to deny admission, unless the individual can prove rehabilitation.
 - (6) Because the adult member who wished to be added has no formal relationship with the PHA, she/he will not be afforded a review of the reasons for denial.
- b. The participant may request an informal hearing as outlined in the Administrative Plan.

XII. TERMINATION OF ASSISTANCE

A. BASIC POLICY

The PHA will 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. REASONS FOR TERMINATIONS

1. A family must not engage in drug-related criminal activity, violent criminal activity, or other criminal activity, including criminal activity by any family member.
2. A family must not engage 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.

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.).

3. The PHA will 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, the PHA 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. Violent criminal activity includes any criminal activity that has as one of its elements the use, attempted use or threatened use of physical force against the person or property of another.
 5. Abuse of alcohol includes behavior or a pattern of behavior of any Housing Choice Voucher 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.
 6. 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 less than a five (5) year criminal offense, arrest, or conviction for engaging in drug-related criminal activity and less than a ten (10) year history for violent criminal activity, including criminal activity by any family member,
 - 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,
 - 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 on the premises by any other person in the tenant's control.
 - e. The PHA 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.
 - f. If the PHA poses to terminate assistance for criminal activity as shown by a criminal record, the PHA must provide the subject of the record and the participant with a copy of the criminal record. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record, in accordance with Sec. 982.554.
- The Garland Housing Agency will not add a family member to the lease, if

the family members has less than a ten (10) year history of violent criminal activity or less than a 5 year history of drug –related criminal activity.

7. 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 and that a Repayment Agreement was not entered into.)
8. Families who have violated one of their family obligations.

The family (including family members) must not:

- a. Commit any serious or repeated violations of the lease. Unpaid rent is a serious violation of the lease and if the head of the household is evicted or moves for non-payment of rent, the family will be terminated from the program.
 - b. Allow an unauthorized occupant without acquiring written approval from the landlord and PHA.
 - c. Any unapproved person(s) visiting with the tenant longer than specified in rental agreement or ten (10) days (whichever comes first) must contact the PHA to add said person(s) to the lease. Any family with unapproved person(s) visiting must have written approval from the Landlord and a copy of that approval must be provided to the PHA if visitor(s) are allowed an extension to visit longer than the time period indicated in the lease. Refusal to adhere to this policy is grounds for immediate housing termination.
9. Families whose Total Tenant Payment is sufficient to pay the full gross rent and where 180 days has elapsed since the PHA's last HAP payment was made.
 10. Families whose appropriate household members do not provide their Social Security information and documentation within the time required and specified by the PHA.
 11. Families who fail to comply with HUD requirements for assistance to non-citizens.
 12. 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."

However, the following examples will be reasons for termination of assistance:

- if the family did not report an interim change in family composition or income, etc., which they were required to report, the PHA would determine how much the family owed the PHA, due to the unreported or untimely reported information.

- if the PHA entered into a Repayment Agreement with the family, • if the family stops paying on their Repayment Agreement, the family will be under the termination of assistance procedures above.
14. 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 will be terminated.
 15. 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 place from which the individual flees, (in the case of the State of New Jersey is a high misdemeanor).
 16. If a family member has violated or is violating a condition of probation or parole imposed under Federal or State law.
 17. 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.
 18. Families that are terminated for violation of Family Obligation will be required to remain off the program for one (1) year before reapplying.

C. INSUFFICIENT FUNDING

The PHA may terminate HAP contracts if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program. The PHA will determine whether there is sufficient funding to pay for currently assisted families. If the PHA determines there is a shortage of funding, prior to terminating any HAP contracts, the PHA will determine if any other actions can be taken to reduce program costs. If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, the PHA will terminate HAP contracts as the last resort. The local HUD Field office will be informed and the PHA will terminate the minimum number needed in order to reduce HAP costs to a level within the PHA's annual budget authority. The order of termination will be evaluated at the time of termination to affect the least number of families.

D. VIOLENCE AGAINST WOMEN ACT and Justice Department Reauthorization Act 2005 (VAWA)

1. Criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of assistance if the tenant or an immediate member of the tenant's family is the victim or

threatened victim of abuse. An incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as serious or repeated violations of the lease by the victim or threatened victim of that violence and will not be “good cause” for termination of the assistance of a victim of such violence.

2. The PHA responding to an incident or incidents of actual or threatened domestic violence, dating violence, or stalking that may affect a tenant’s participation in the housing program to request in writing that an individual complete, sign and submit, within 14 business days of the request, a HUD-approved certification form. On the form, the individual certifies that he/she is a victim of domestic violence, dating violence, or stalking, and that the incident or incidences in question are bona fide incidences of such actual or threatened abuse. On the certification form, the individual shall provide the name of the perpetrator.
3. In addition to the certification form, a tenant may be required to provide the PHA: a Federal, State, tribal, territorial, or local police record or court record; documentation signed and attested to by an employee, agent, or volunteer of a victim service provider, an attorney or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking, or the effects of abuse, in which the professional attests under the penalty of perjury (28 U. S. C. 1746) to the professional’s beliefs that the incident or incidents in question are bona fide incidents of abuse.
4. The PHA will require the participant to come into the office to pick up the certification form and will work to make sure that the delivery of the form to the PHA will not put the participant at risk.
5. If the individual does not provide the form HUD-50066 by the 14th business day or any extension of that date provided by the PHA, protections afforded to the victim of domestic violence, dating violence, or stalking by sections 606 or 607 will apply. The PHA will therefore be free to terminate assistance, in the circumstances authorized by otherwise applicable law and lease provisions, without regard to the amendments made by Sections 606 and 607.
6. PHA’s must notify participants of their rights under VAWA, which includes the existence of the HUD form to declare they are victim or domestic violence. All information provided to the PHA relating to the incident(s) of domestic violence, including that an individual is a victim of domestic violence, dating violence, or stalking, must be retained in confidence by the PHA or owner, and will not be entered into any shared database nor provided to a related entity, except to the extent that the disclosure is (i) requested or consented by the individual in writing; (ii) required for use in an eviction proceeding or termination of assistance, or(ii) otherwise required by applicable law.

E. ZERO HOUSING ASSISTANCE

1. If the Total Tenant Payment is equal to the Contract Rent or the Payment Standard, then the owner/landlord will no longer receive an assistance check from the PHA. 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 the PHA 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 PHA is accepting applications.

F. COMPUTER MATCHING (24 CFR 5.211)

The PHA along with the Department of Housing and Urban Development will conduct a computer matching initiative in order to provide an independent source for verifying resident income. The matched information regarding income, earnings, wages, or unemployment compensation will be disclosed to the assisted family. The family must take appropriate action. Appropriate action may include, but not necessarily be limited to review of information with the client and changing the family's rent as needed. If a documented case of fraud is verified, the PHA will take action to recover excess housing assistance received by the resident due to unreported income.

XIII. 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 Housing Choice Voucher 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 Tenant Payment is reduced by the utility rate since the last revision.
- C. The PHA's Housing Choice Voucher 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 schedule(s) are provided to families at the briefing sessions when the family receives initial or continued assistance.
- E. The PHA will use the utility allowance for the actual *voucher or unit size whichever is smaller* ~~rented~~ and will consider a special higher utility allowance as reasonable for a disabled person.
- F. Allowances will be established for families who supply the range and refrigerator.

- G. A single utility allowance will be used by the Garland Housing Agency. This utility allowance will be based on rates provided by Garland Power & Light, and will be the lesser of the rate for a single family unit vs. a multi-family unit.

XIV. PORTABILITY

A. OUTGOING HOUSING CHOICE VOUCHERS

1. Housing Choice Voucher Waiting List Applicants who are or were residents of the PHA's jurisdiction at the time of their original application may elect to exercise their option to use the portability features of their housing assistance. The area of operation of the PHA is geographically defined as the Garland, Texas city limits and units found within Dallas County, Collin County, Rockwall County, areas in Denton County south and east of Lake Lewisville and Kaufman County west of Terrell and north of Highway 175.
2. Housing Choice Voucher waiting list applicants, who reside in areas outside of its jurisdiction (defined above) at the time of their original application, 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. Participants will not port-out if they are in violation of family obligations or if they owe a balance due to the PHA relative to the Housing Choice Voucher or Public Housing programs.
5. A portable family transferring between programs must be income-eligible for the area where the family leases an assisted unit. This requirement applies if the family is transferring from the initial PHA program to the receiving PHA Housing Choice Voucher Program.
6. If a portable family was already a participant in the initial PHA Voucher program, income eligibility is not re-determined unless the family transfers between the programs.
7. The PHA follows the portability requirements of 24 CFR 982.553-555 and any subsequent regulations, notices, memos or directives from HUD regarding the administration of portability under Housing Choice Voucher.

B. RECEIVING PHA (see 24 CFR 982.355)

1. The receiving PHA is required to provide assistance to porting families unless the family has breached its obligations.

2. The receiving PHA will conduct a criminal background check per policy for all income portable families. Ineligible families will be referred back to their initial housing authority.
3. The PHA will require that that family is in good standings with the initial PHA and that all screening processes has taken place before allowing the family to lease up in the receiving PHA's jurisdiction.
4. 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).

XV. MOVES WITH CONTINUED TENANT-BASED ASSISTANCE

A. ELIGIBILITY TO MOVE

1. The assisted lease for the old unit has terminated. This includes a termination because:
 - a. The PHA has terminated the HAP contract 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.
 - d. If the family has damages that exceed the first month's rent, the family will not be allowed to move to another unit unless the damages are paid in full.
 - e. The family will be allowed to move if they are not being evicted or terminated for violation of Family Obligation, or 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.
 - f. The family has a source of household income.
2. The resident has given proper notice of lease termination after the first year.
3. Families with no income will not be allowed to relocate unless the unit does not meet HQS and/or the landlord has agreed to release the family from their lease and they have not violated any family obligations.

B. HOW MANY MOVES

1. A participant family can 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. 982.314)

2. The family will not move during the initial term of the lease. (See 24 CFR Sec. 982.314)
The family may or may not be required to move if the family is over housed or under housed and the unit cost is not within the Payment Standard of the certified voucher size for the family.
3. The PHA will 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 an amount to the PHA or another PHA in connection with Housing Choice Voucher a balance due;
 - c. the participant has violated any family obligation;
 - d. the PHA may, at its discretion, suspend moves if such suspension is as a result of budgetary cuts;
 - e. the participant is currently reporting zero income.
4. Failure to provide at least thirty (30) days written notice of intent to move may result in termination of assistance.
5. Agreement to Remain in Occupancy
 - a. If the family does not locate a new dwelling they will be required to submit an “Agreement to Remain in Occupancy”.
 - b. The assisted tenancy will be extended for any period of time mutually agreed upon by the owner/landlord and resident.
 - c. In an absence of the Agreement to Remain in Occupancy HAP payments and the HAP contract will terminate at the end of the thirty (30)-day Notice to Move issued by the resident.

C. NOTICE OF FAMILY MOVE

1. The Owner is permitted to require the family to give at least a thirty (30) day termination notice. (See 24 CFR Sec. 982.309)
2. The family must give proper notice and the notice must be signed and dated by the owner/landlord and a copy provided to Garland Housing Agency.
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.

XVI. FAMILY BREAK-UP

A. PHA DISCRETION

1. The PHA 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 Administrator.

B. CRITERIA

The factors to be considered in making this decision will 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, the PHA 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 Housing Choice Voucher office will 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, displaced or non-disabled, children in residence/household or no children present) will 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(ren) will not be allowed to retain status of remaining family member(s) unless:
 - The court has awarded emancipated minor status to the minor; or
 - An income eligible court appointed or legal guardian moves into the unit with the minor child(ren).
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 Housing Choice Voucher office will treat that adult as a visitor for sixty (60) days.

- a. After that period, the Housing Choice Voucher 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.

XVII. 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 Housing Administrator will approve an absence of up to 180 consecutive calendar days for extraordinary reasons (e.g. military call to duty/Reserves, medical, etc.).
4. Absence means that no member of the family is residing in the unit.
5. The owner/landlord must reimburse the PHA 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 the PHA of absence from the unit, including any information requested on the purpose of family absences.
3. The PHA will adopt appropriate techniques to verify family occupancy or absence, including letters to the family at the unit, phone calls, visits or questions to the landlord or neighbors.

XVIII. ADMISSION OF LIVE-IN AIDE OR FOSTER CHILDREN

A. LIVE-IN AIDE

1. The PHA 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 Housing Choice Voucher participant for drug-related or violent criminal activity, the PHA shall advise the Housing Choice Voucher participant that the live-in aide cannot be housed with the participant.
3. The PHA 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 Housing Choice Voucher owner/landlord from taking action to initiate an eviction 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(ren), except in cases of emergency.
3. If the participating family requires a larger size unit, it will be issued as soon as possible.

XIX. PROGRAM INTEGRITY

A. INVESTIGATION OF SUSPECTED ABUSE AND FRAUD

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

1. Referrals, Complaints or Tips. The PHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a 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 retained in files, and may be used to initiate investigations.
2. Internal File Review. A follow-up will be made if PHA staff discovers (as a function of a certification or re-certification, an interim re-determination, or a quality control review), information or facts which conflict with previous file

data, the PHA's knowledge of the family, or is discrepant with statements made by the family.

3. Verification or Documentation. A follow-up will be made if the PHA receives independent verification or documentation which 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 is consistent with previously signed file documents.
2. The PHA staff (to include inspection personnel) will maintain high awareness of circumstances which 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 the PHA 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

The PHA will review allegations which 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 Housing Choice Voucher participant and, if so, to determine whether or not the information reported has been previously disclosed by the family.
 - b. It will then be determined if the PHA 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 the PHA 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, the PHA 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 which 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 PHA(s) review.
5. Other Agencies. Investigators, case workers or representatives of other benefit agencies may be contacted.
6. Public Records. If relevant, the PHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, and divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

7. Interviews with Head of Household or Other Family Members. The PHA will discuss the allegation (or details thereof) with the head of household or family member by scheduling an appointment at the PHA office.

A high standard of courtesy and professionalism will be maintained by the PHA staff person who conducts such interviews. Under no circumstances will inflammatory language, 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, the PHA will review the facts to determine:

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

G. ACTION PROCEDURES FOR VIOLATIONS WHICH HAVE BEEN DOCUMENTED

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

1. Procedural Non-Compliance. This category applies when the participant "fails to" observe a procedure or requirement of the PHA, 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 the PHA.
 - 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 the PHA if the procedure or obligation is not complied with by the date specified by the PHA;
 - the consequences of repeated (similar) violations.
2. Procedural Non-Compliance - Retroactive Payments. When the family owes money to the PHA for failure to report changes in income or assets, the PHA 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 the PHA;
 - 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 PHA's Notice. If the participant fails to comply with PHA's notice, and a material provision of the lease has been violated, the PHA will initiate termination of tenancy.
 - Participant Complies with PHA's Notice. When a participant complies with the PHA's notice, the staff person responsible will meet with him/ her to discuss and explain the program provision which 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. FALSIFICATION, MISSTATEMENTS, OMISSIONS, MISREPRESENTATION

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, the PHA 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 (re)determination, which were later independently verified to be false.

I. THE PARTICIPANT CONFERENCE FOR SERIOUS VIOLATIONS AND MISREPRESENTATIONS

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

This conference will take place prior to any proposed action by the PHA. The purpose of such conference is to review the information and evidence obtained by the PHA with the 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 the PHA. The participant will be given five (5) business days to furnish any mitigating evidence.

A secondary purpose of the Participant Conference is to assist the PHA in determining the course of action most appropriate for the case. Prior to the final determination of the proposed actions, the PHA 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, the PHA will pursue, depending upon its evaluation of the criteria stated above, one or more of the following actions:

1. Criminal Prosecution: If the PHA has established criminal intent, and the case meets the criteria for prosecution, the PHA will refer the case to the local State or District Attorney, notify HUD's Regional Inspector General for Investigations (RIGI), and terminate rental assistance.
2. Administrative Remedies: The PHA will terminate assistance and demand payment of restitution in-full.
3. Continue Assistance: Contingent upon full lump-sum restitution or minimal term repayment plan and warning that repeat offenses will result in immediate eviction.

K. NOTIFICATION TO PARTICIPANT OF PROPOSED ACTION

1. The PHA will notify the resident, by certified 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.

XX. INFORMAL HEARINGS AND REVIEWS

A. DEFINITIONS

1. “INFORMAL REVIEW”. A review of the PHA’s decision on an applicant’s application for participation in the Housing Choice Voucher 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 Housing Choice Voucher 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. The PHA shall give an applicant written notice of a decision denying assistance or a decision denying listing on the waiting list within ten (10) business 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 ten (10) business days from the date of the notice, and that the applicant should keep proof of making the request.
3. The PHA 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. The PHA 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. The PHA shall designate any person or persons as the review officer(s). The power to designate any person or persons as review officer or review officers shall rest with the PHA.
- 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. The PHA shall notify the applicant of the date, time and place of conducting the informal review at least a week prior to the date of the review. *Informal reviews may be done over the telephone at the discretion of the PHA.*
- c. The applicant shall have the right to present his objections either orally or in writing.
- d. A representative of the Housing Choice Voucher 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 the PHA. This final decision shall be given within seven (7) business days from the date of the review.
- b. The PHA 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. The PHA must 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 (the PHA 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, the PHA 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) business days from receipt of the notice.
 - c. The PHA may or may not conduct an informal hearing if the participant does not request an informal hearing within the time fixed herein to do so. If the request is not submitted timely, it shall mean that the participant waived his/her right to request an informal hearing.
4. The Hearing Officer
- a. The PHA 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 the PHA.
 - 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 the PHA

- a. The PHA can be represented by a lawyer, or any other representative in the informal hearing.
- b. The PHA can introduce evidence, both oral and documentary, without regard to admissibility under the rules of evidence applicable to judicial proceedings.
- c. The PHA 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 fixed for hearing without any request for an adjournment on strong grounds, the matter will be decided, or dismissed forthwith 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. The PHA 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 the PHA 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, PHA 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 will not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decisions on the BCIS appeal.
 2. Assistance to a family will not be terminated or denied while the PHA hearing is pending but assistance to an applicant will 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, the PHA 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 the PHA either in lieu of or subsequent to the CIS appeal.
 - b. If the family appeals to the CIS, they must give the PHA a copy of the appeal and proof of mailing or the PHA will proceed to deny or terminate. The time period to request an appeal will be extended by the PHA for good cause.
 - c. The request for a PHA 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) the PHA will:
 - a. Deny the applicant family;
 - b. Defer termination if the family is a participant and qualifies for deferral;
 - c. Terminate the participant if the family does not qualify for deferral.
 5. If there are eligible members in the family, the PHA will offer to prorate assistance or give the family the option to remove the ineligible member(s).
 6. All other complaints related to eligible citizen/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 Tenant Payment.

- 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 the PHA is terminating assistance, the family will be informed that presence of a disability will 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 repayment agreement;
 - c. Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

XXI. OPERATING RESERVE EXPENDITURES STATEMENT

Operating Reserves: This amount is credited with earned income administrative fees that exceed expenditures for program administration.

A. REQUIRED USE FOR PROGRAM ADMINISTRATION

1. The operating reserve must first be used to pay Housing Choice Voucher administrative costs that exceed earned administrative fees or a fiscal year.
2. Projected administrative fees and the Operating Reserve must cover all projected costs of program administration through the remaining ACC terms.

B. PERMITTED USE FOR OTHER HOUSING PURPOSES

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

C. BOARD OF COMMISSIONERS APPROVAL FOR OPERATING RESERVE EXPENDITURES

1. The Board of Commissioners has established a limit of \$5,000 of the total administrative reserve that may be charged to the account for ~~non~~-Housing Choice Voucher expenditures without board approval.
2. For Operating Reserve expenditures that exceed the Board threshold, the PHA 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.

XXII. REPAYMENT AGREEMENTS

A. ESTABLISHING THE AGREEMENT

1. The Garland Housing Agency will enter into a repayment agreement for any amount owed. Tenants that are found to owe funds to the Garland Housing Agency will have thirty (30) days from the date of the acknowledgment to pay the balance in full otherwise they will be terminated from the program. This policy applies to anyone that owes money after March 10, 2010.

B. ENFORCING REPAYMENT AGREEMENTS

1. The Housing Choice Voucher office will set up monthly payments on the Repayment Agreements. **(This only applies to families that signed repayment agreements prior to March 10, 2010.)**
2. If the participant is two (2) or more months behind the agreed upon monthly payments (consecutive or non-consecutive), the participant's assistance may be terminated unless other arrangements have been agreed upon.
3. If the resident enters into a Repayment Agreement after the execution of the HAP Contract and does not pay, the Housing Choice Voucher office will require the family to bring their Repayment Agreement current prior to issuance of a Voucher to move to another unit.
4. If the resident refuses to enter into a Repayment Agreement because of a claim paid for unpaid rent, damages, or vacancy loss, the Housing Choice Voucher office will continue paying HAP in their current unit, but the Housing Choice Voucher office will refuse to issue a Voucher to move until the family repays the amount owed in-full.
5. The Housing Choice Voucher office must notify the family of the amount of its liability and inform them of the consequences if they do not pay.

C. INELIGIBILITY FOR REPAYMENT AGREEMENTS

1. If the Housing Choice Voucher office determines that the family committed willful and intentional fraud, the Housing Choice Voucher office may require the family to repay the entire amount in-full or have their assistance terminated.
2. The Housing Choice Voucher office may allow no more than two (2) Repayment Agreements with an aggregate total of \$5,000 in Repayment Agreements

D. PROSECUTION OF NON-PAYMENT, UNREPORTED INCOME GREATER THAN \$5000

1. If the family owes more than \$5,000 in repayment agreements, the family will be terminated from the program and referred for prosecution. Families that fail to comply with their repayment agreements may also be referred for prosecution.

E. OWNER/LANDLORD FRAUD AND PROGRAM ABUSE

1. When the Housing Choice Voucher office determines that the owner/landlord has retained Housing Assistance Payments the owner/landlord was not entitled to, the Housing Choice Voucher office may reclaim the Housing Assistance Payment amount from future Housing Assistance Payments owed the owner/landlord, no matter what Housing Choice Voucher Program is involved.
2. If the future Housing Assistance Payments owed is insufficient to reclaim the amount owed, the addition amount(s) may be referred to collection.
3. The Housing Choice Voucher office will use Chapter 8 of Housing Choice Voucher Program Guidebook as a guide in dealing with owner/landlord fraud and program abuse, which may include barring the owner/landlord from participating in the Housing Choice Voucher Rental Assistance Program.
4. If an owner/landlord refuses to reimburse or repay the Garland Housing Agency for overpayments of housing assistance payments, they may be referred to the Office of the Inspector General with HUD for possible prosecution.

XXIII. MINOR CHANGES TO THE ADMINISTRATION PLAN

The Garland Housing Agency may make minor changes to this administrative plan that will not directly impact families without the immediate approval of the City Council. These changes may be implemented due to changes in federal, state or local regulations, budget constraints, lease-up improvements, audit recommendations and/or cost savings measures.

XXIV. HOMEOWNERSHIP VOUCHER PROGRAM

The Garland Housing Agency shall administer the homeownership voucher program in accordance to HUD regulations, as listed in 24 CFR sections 982.625 through 982.643. Local requirements and policies are further explained in the Garland Housing Agency's Housing Choice Voucher Homeownership Voucher Program procedures manual.

(See attached Exhibit A entitled "Garland Housing Agency Housing Choice Voucher Home Ownership Program" procedural manual for further detail.)

XXV. FAMILY SELF-SUFFICIENCY ACTION PLAN

The Garland Housing Agency shall administer the Family Self-Sufficiency Program (FSS) in accordance with HUD regulations as listed in 24 CFR Part 984. Local requirements and guidance are further explained in Exhibit B entitled "Family Self-Sufficiency Action Plan."

GLOSSARY

Acronyms Used in Subsidized Housing

AAF	Annual Adjustment Factor. A factor published by HUD in the Federal Register which is used to compute annual rent adjustments.
ACC	Annual Contributions 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
FMR	Fair Market Rent
FSS	Family Self-Sufficiency
FY	Fiscal Year
FYE	Fiscal Year End
GAO	Government Accounting Office
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
HQS	Housing Quality Standards
HUD	The Department of Housing And Urban Development
HURRA	Housing and Urban/Rural Recovery Act of 1983
HV	Housing Voucher
IG	Inspector General
IPA	Independent Public Accountant
IRA	Individual Retirement Accountant
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
RTA	Request for Tenancy Approval
RFP	Request for Proposal
RRP	Rental Rehabilitation Program
SEMAP	Housing Choice Voucher Management Assessment Program
SRO	Single Room Occupancy
SSMA	Standard Statistical Metropolitan Area. Has been replaced by MSA, Metropolitan Statistical Area
TR	Tenant Rent

TTP	Total Tenant Payment
UA	Utility Allowance
UARP	Utility Allowance Reimbursement Payment
URP	Utility Reimbursement Payment
VAWA	Violence Against Women Act and Justice Department Reauthorization Act 2005

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, Housing Choice Voucher.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 applicable 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, and Housing Choice Voucher.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 means Annual Income less the following allowances, determined in accordance with HUD instructions:

1. \$480 for each Dependent;
2. \$400 for any Elderly Family;
3. For any family that is not an Elderly Family or disabled family, but has a member other than the head of household or spouse, Disabled Assistance Expenses in excess of three percent (3%) of Annual Income, but this allowance will not exceed the employment income received by Family members who are 18 years of age or older, as a result of the assistance to the Disabled Person;
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 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 Expenses 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. Child Care Expenses.

Admission

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 will 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 the allowance or grant exclusive of the amount specifically designated for shelter or 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 ratably 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 payments in lieu of earnings, above).
 - d. Amounts received by the family that are 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 resides 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 will receive more than one such stipend during the same period of time;
 - l. Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of 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, nonrecurring 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, which is held in trust for certain Indian tribes. [25 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 10-1-92;
 - (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 § 9858q]. 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 § 1437a, § 1437d, § 1437n 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 will 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 of 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, Braille 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.

Bureau of Citizenship and Immigration Services (BCIS)

Formerly the U.S. Immigration and Naturalization Service (INS).

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, 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 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 the 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 Payments (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 and management 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:

Violence committed by a person:

(A) who is has been in a social relationship of a romantic or intimate nature with the victim; and
(B) where the existence of such relationship shall be determined on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship

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 are cracking, scaling, chipping, peeling 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 the 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)).

Section 223 of the Social Security Act defines disability as:

1. Inability to engage in any substantial, gainful activity by reason 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

An act that is unlawful under Housing Choice Voucher04, 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:

Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim share a child in common, by a person who is cohabitated with or has cohabited with the victim as 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

- 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.
- Covered Person - a tenant, any member of the tenant's household, a guest or another person under the tenant's control.
- 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.
- Drug - a controlled substance as defined in Section 102 of the Controlled Substance Act.
- 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 dwellings in which sleeping accommodations are provided, but toileting 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 escrow account established by a PHA on behalf of a participating family.

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 will 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 will 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 incomes below thirty percent (30%) of the area median and households of various races and ethnic groups--within the Quality Housing Work Responsibility Act (QHWRA).

Facility

All or any portion of buildings, 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 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 PHA's 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 includes 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 the eighteen (18) years.

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

1. A single person, who may be an elderly person, disabled person, displaced person, near-elderly person, or any other single person; or
2. A group of persons residing together, and such group includes but is not limited to:
 - (i). A family with or without children (a child who is temporarily away from the home because of the placement in foster care is considered a member of the family);
 - (ii). An elderly family;
 - (iii). A near-elderly family;
 - (iv). A disabled family;
 - (v). A displaced family; and
 - (vi). The remaining member of a tenant 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 Unit Size

The appropriate number of bedrooms for a family. Family unit size is determined by the PHA under 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 for 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 Housing Choice Voucher 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 the 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 a 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 of 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 an Impairment

As used in the definition of Disability, means has a history of, or has been misclassified 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.

Home-visit (telephone interview)

When applicants/participants are unable to physically come into the PHA's office due age or medical condition, a home-visit (telephone interview) can be done to gather the needed to either complete an application for housing or for annual re-certification. Verifications needing signatures can be either mailed to the individual or other arrangements can be made at 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 an 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 owner/landlord. In the certificate program, the additional payment is called a “utility reimbursement”.

Housing Assistance Payments Contract

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

The HUD minimum quality standards for housing assisted under the resident-based programs.

Housing Choice Voucher Program

The statutory merger of the Housing Choice Voucher tenant-based certificate and voucher programs into the new Housing Choice Voucher program and makes other amendments to other provisions 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 that 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 or 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.

Immediate Family Member:

A spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or any other person living in the household of that person and related to that person by blood or marriage.

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 Housing Choice Voucher assistance shall not require continual medical or nursing care, and shall be ambulatory or 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.

Independent Student

A full time or part time student at an Institute of Higher Education who is one or more of the following: over the age of 24, a veteran, married, has a dependent child, is an orphan or ward of the court or was a ward of the court until the individual reached the age of 18, is a graduate of professional student, or is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances

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.

Institute of Higher Education

An institution of higher education is defined under Section 102 of the Higher Education Act of 1965 as an educational institution in any state that: Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, Legally authorized within such State to provide a program a program of education beyond secondary education; Provides and educational program for which the institution awards a bachelor's degree or provides not less than a two-year program that is acceptable for full credit toward such degree; Is a public or other nonprofit institution; is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted pre-accreditation status and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time. Additional institutions include: Any school that provides not less than a 1 year program of training to prepare students for gainful employment in a recognized occupation or public or nonprofit private educational institution in any state that admits as regular students' persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

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, lease term may be shorter than 1 year.

INS

The U.S. Immigration and Naturalization Service. Now renamed U.S. Citizenship and Immigration Services (CIS).

Interior

The spaces, parts, components or elements of an individual dwelling unit.

Interim Reexaminations

Some Housing Authorities also call these "special" reexaminations. The family must comply with regulations requiring them to report changes in income and family composition. The PHA requires the reporting of the changes within 10 days of the effective change (or other date as established by the PHA). The Housing Authority must determine if there is to be an adjustment to the Total Tenant Payment, Tenant Rent, and/or Housing Assistance Payment.

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 limitation;
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 a Live-In Aid's income.)

Local Preference

1. A preference used by the PHA to select among applicant families.
2. PHA cannot 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

Those 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.

Monthly Income

One-twelfth of Annual 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 reexamination, 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 area 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 representatives, mutual companies, joint-stock companies, trusts, and unincorporated organizations, and 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 affecting one or more of the following body systems: Neurological; muscular-skeletal; special sense organs; 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 Housing Choice Voucher resident-based assistance outside the jurisdiction of the initial PHA.

Preference Over Single Persons

An applicant that is a one- or two-persons 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 units 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 facilities, 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 units in 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 Sec. 982.207

Eliminates the explicit requirement that PHA's seek HUD approval before establishing a residency preference (although the Housing Choice Voucher 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 than 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 Reexaminations

The PHA must reexamine the income and composition of all families at least 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 PHA will adjust the Total Tenant Payment and Housing Assistance Payment to reflect the changes in income and family composition.

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 Housing Choice Voucher Rental Housing Voucher and the Housing Choice Voucher Moderate Rehabilitation programs, the housing authority (PHA) administering the program under an ACC with HUD;
2. For all other Housing Choice Voucher 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-citizen 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 shares neither heating facilities, hot water equipment, nor 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 Reexaminations

See Interim Reexaminations.

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 by public and Indian housing programs. This definition applies to Restrictions on Assistance to Non-citizen.

Stalking

To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and 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 death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.

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 is granted, the deferral period 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 that 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 owner.

Term

Means the period of occupancy specified in the rental agreement.

Total Tenant Payment

Total Tenant Payment for families whose initial lease is effective on or after August 1, 1982.

Total tenant payment is the amount calculated under section 3(a) (1) of the 1937 Act (42 U.S.C. 1437a (a) (1)). Total Tenant Payment shall be the highest of the following, rounded to the nearest dollar:

1. 30 percent of Monthly Adjusted Income;
2. 10 percent 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 twenty-five dollars (\$25.00).

Utility Allowance

If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the Contract Rent, but 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 sections 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.

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 honorably discharged from the Armed Forces of the United States, who serviced in World War I, between April 6, 1917, and November 11, 1918, both dates

inclusive; or in World War II, on or after December 7, 1941, until final cessation of all hostilities; or in the 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.

This page left intentionally blank



GARLAND

HOUSING AGENCY

Housing Choice Voucher
Home Ownership Program

administered by:
Garland Housing Agency
210 Carver; Suite 201
Garland, TX 75040
(972) 205-3393

Steven Fitch, Director of Housing

Exhibit A

TABLE OF CONTENTS

• Mission Statement.....	1
• Homeownership Voucher.....	1
• Initial Requirements.....	2
• Eligibility requirements for families.....	3
• Determination of eligible units	5
• Requirements for family search and purchase.....	6
• Homeownership Counseling.....	8
• Contract of sale.....	9
• Continued assistance requirements; Family obligations.....	10
• Move with continued tenant based assistance.....	12
• Payment of the HAP; Total Family Contribution	13
• Portability.....	15
• Denial/Termination of homeownership assistance.....	16
• Recapture provisions.....	17

The City of Garland Housing Agency

Mission Statement

The Garland Housing Agency objectives include providing, safe, decent and sanitary living conditions and to provide improved living conditions for very low income families. The Garland Housing Agency promotes its objectives through helping tenants maintain rent payments at an affordable level and by providing qualified tenants with an option for home ownership. In addition, the Garland Housing Agency aims to promote personal, economic and social upward mobility to assist residents to make the transition from subsidized to non-subsidized housing and to provide an incentive to private property owners/landlords to rent to low income families by offering timely assistance payments and excellent service.

Homeownership Voucher Program

The Garland Housing Agency (GHA) will administer the Homeownership Program to help low income families to purchase decent, safe and sanitary housing. The program provides homeownership opportunities to first time home buyers through a Homeownership Housing Choice Voucher program. The Homeownership Voucher program shall be funded through the Housing Choice Voucher Program funding allocations from the U.S. Department of Housing and Urban Development (HUD) and other applicable federal, state and local grants.

Policy clarifications or general questions should be addressed to the Garland Housing Agency at the following address or telephone number:

Garland Housing Agency
210 Carver, Suite 201
Garland, TX 75040
Phone Number: (972) 205-3393

Initial Requirements

Before commencing homeownership assistance for a family, the Garland Housing Agency must determine that all of the following initial requirements are satisfactorily met:

1. The family has received Housing Choice Voucher Rental Voucher assistance for a time period of one (1) year and is currently in “good standing” with the GHA (no repeated lease violations, debt repayment agreements, etc.).
2. The family is income eligible under the Housing Choice Voucher Assistance Program (HCV) and qualified to receive homeownership assistance. The family’s income may not exceed the income limits established and amended by HUD.
3. The dwelling/unit must be inspected and meet/pass the Housing Quality Standards (HQS) inspection protocol.
4. The family has satisfactorily completed the GHA program of required pre-assistance homeownership counseling.
5. The GHA will require homeowner compliance with all environmental requirements of local and regional authorities regarding flood and other hazard insurances.
6. The family will be deemed ineligible to participate in the Homeownership program in the event the family owes any debt or portion of a debt to the GHA or any other housing agency/authority.
7. *Additional GHA requirements.* Unless otherwise provided in this part, the GHA may limit homeownership assistance to families for purposes defined by the GHA and may require additional requirements for commencement of homeownership assistance for a family.

Eligibility Requirements for Families

The Garland Housing Agency may not provide assistance for a family unless it determines that the family satisfies all of the following initial requirements at commencement of the homeownership assistance for the family:

1. The family has been admitted to the Housing Choice Voucher Homeownership Program. Participation in the Homeownership Program is voluntary.
2. The family must be a first time home buyer or no member of the family has owned a home or interest in a home for at least five (5) years.
 - a. The restriction on prior ownership does not apply to a single parent or displaced homemaker who owned a home with a spouse while married.
 - b. Families who already own shares in a cooperative.
 - c. Family with a member with disabilities for whom the homeownership option is a reasonable accommodation.
3. One or more adult members of the family who will own the home, must meet the Garland Housing Agency's minimum income requirements of at least \$20,000 per year of gross annual income. However, if a participant does satisfy the minimum initial requirement for gross annual income, as described by HUD of not less than the federal minimum hourly wage multiplied by 2000 hours, they will be allowed eligible to participate if they can show proof that they have been approved for a qualified mortgage.
 - a. Except in the case of an elderly or disabled family, the GHA shall not count any welfare assistance received by the family in determining annual income under this section.
 - b. The disregard of the welfare assistance income only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance in accordance with this section, but does not affect the following:
 - i. Determination of income eligibility for admission to the voucher program.

- ii. Calculation of the amount of the family's total tenant payment (TTP)
 - iii. Calculation of the amount of homeownership assistance payments on behalf of the family. (in the case of an elderly or disabled family, the GHA will count welfare assistance in determining annual income.)
4. One or more adult members of the family must satisfy the employment requirements of continuous employment of two (2) years prior to the commencement of the homeownership assistance. This employment must be full time employment of at least 30 hours per week. There is an exception to this employment requirement for the elderly and the disabled. The GHA shall grant an exemption from the employment requirement if the GHA determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.
5. The Housing Administrator of the GHA may also consider whether and to what extent an employment disruption is considered permissible in satisfying the employment requirement. The Housing Administrator may also consider successive employment during the three year period and self-employment in a business.
6. The family has not defaulted on a previous mortgage securing debt to purchase a home under the homeownership program.
7. No family member has a present interest in a residence for the purchase of any home.
8. The family also satisfies all the initial requirements established by the GHA.

In addition to assisting low-income families to achieve the "American Dream" of Owning their own home, the secondary purpose and intent of the program is to assist families in becoming self-sufficient and economically independent. Accordingly, it is expected that families will maintain a continuous employment cycle throughout the entire period of subsidy. Forbearance, during a brief period of hardship (i.e. sixty days or less during loss of employment or a major illness) will be considered, however, multiple occurrences within short timeframes (one year or less) could be considered cause for denial of forbearance. If forbearance is denied, the homeowner will have rights of appeal under this policy. If denial is supported, the homeowner options would be to sell the home or convert the assistance to rental.

Determination of Eligible Units

The Garland Housing Agency will determine that the unit is eligible to be occupied by meeting and satisfying all of the following requirements:

1. The unit was either under construction, already existing, or eligible for construction at the time the GHA determined that the family was eligible for homeownership assistance to purchase the unit.
2. The unit is either a one unit property, or a single dwelling unit in a cooperative or condominium.
3. The unit has been inspected by a GHA inspector (and by an independent inspector designated by the family if required by the lending institution)
 - a. The family must pay for an inspection by an independent inspector they have selected.
 - b. The independent inspection must cover major building systems and components and the inspector must send a report to the GHA and the family. The inspection must be in compliance with the applicable city's code of ordinances and the Garland Housing Agency's inspection protocol.
 - c. The GHA must review the inspection report and decide with family whether to require any pre-purchase repairs. The GHA can disapprove a unit based upon the information in the independent inspection report
4. The unit satisfies/meets the requirements of the Housing Quality Standards inspection.
5. The GHA may not approve the unit and commence with homeownership assistance if the GHA has been informed by HUD or otherwise that the seller of the home is debarred, suspended or subject to a limited denial of participation under HUD programs.
6. The family must allow the GHA to inspect the unit at a reasonable time and after reasonable notice.

- a. The unit will be subject to an annual HQS inspection conducted by the GHA inspection department.
- b. The family must maintain the property in a decent, safe and sanitary manner.
- c. The family must correct any deficiencies cited by the GHA within the time limit specified in the notice.

Requirements for Family Search and Purchase

The Garland Housing Agency establishes a maximum time of *120* days, from the issuance of the homeownership voucher, for a family to meet all requirements of the Homeownership Program and purchase the home.

1. The family is required to find their own unit and may contract with a real estate agent or realtor (who must communicate with the GHA on potential purchases and progress of the family). The real estate agent or realtor must be licensed with the state's real estate commission.
2. The GHA may require periodic family reports to be submitted on the family's progress in finding and purchasing a home.
3. During the search time, the family's Housing Choice Voucher Rental Housing Assistance Payment (HAP) shall continue pursuant to the GHA's Housing Choice Voucher Housing Choice Voucher Administration Plan.
4. If the family's time expires, the GHA may exercise the option to extend the timeframe if substantial progress has been made and sales closing can be accomplished within thirty days.
5. If the family is unable to purchase a home for any reason within the maximum time limit established, the family will continue to receive rental based assistance as pursuant to the GHA Section Housing Choice Voucher rental program. A family may reapply for the Homeownership Voucher one year after the family's voucher expired.
6. Before commencement of homeownership assistance, a member or members

of the family must provide the following:

- a. The family must give the GHA a copy of the contract of sale
 - b. Contents of the contract of sale are specified
 - c. The contract of sale contains a certification from the seller that the seller has not been debarred, suspended, or subject to limited denial of participation under HUD programs.
7. Families must secure their own financing and the terms of the financing must be approved prior to closing by the GHA.
- a. The GHA shall determine the affordability of the family's proposed financing utilizing generally accepted underwriting guidelines.
 - b. If a mortgage is not FHA insured, GHA will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, Ginnie Mae, Fannie Mae, USDA Rural Housing Services, The Federal Home Loan Bank, or other private lending institution.
 - c. The GHA may disapprove assistance based on any financing or debts to secure the home that may have an adverse effect on the family's homeownership rights in the future.
 - d. The family must escrow insurance and taxes. Mortgages with balloon payments, interest only, or variable interest rates will not be approved under GHA's program. The buyer may not enter into a seller financing or lease-purchase agreement under this program. GHA will not approve cosigners.

Homeownership Counseling

Pre-Assistance Counseling - All families participating in the homeownership program must attend and satisfactorily complete the mandatory pre-assistance homeownership and counseling program required by the GHA. The GHA will provide the family with a check off sheet listing all requirements and provide necessary referrals. Families will be required to complete a GHA minimum of eight hours of pre-counseling assistance and complete any additional counseling requirements requested by the lender. The pre-counseling assistance program will cover the following topics:

1. Home maintenance (includes the care of the grounds).
2. Budgeting and money management.
3. Credit Counseling.
4. Negotiating the purchase price of a home.
5. How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available and the pros and cons of different types of financing.
6. How to find a home, including information about homeownership opportunities, schools, and transportation in the GHA jurisdiction.
7. An advantage of purchasing a home in an area that does not have a high concentration of low income families and how to locate home in such areas.
8. Information of fair housing.
9. Pre-assistance Counseling must be completed within 6 months before receiving a voucher and must be through a HUD certified counseling agency

Post-Assistance Counseling - One or more adult's members of the family who have an ownership interest in the home, may be required to attend/participate in on-going post purchasing homeownership counseling as part of the family obligations requirements of the GHA. All post-closing classes and educational strategies approved for this program will be tailored to participants' needs and disabilities.

If the family is not using a HUD approved counseling agency to provide the counseling for the families participating in the homeownership program, the GHA will ensure that the counseling program is consistent with the homeownership counseling provided under HUD's Housing Counseling program.

Contract of Sale

Before commencement of homeownership assistance, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must provide the Garland Housing Agency with a contract of sale. The contract of sale must contain the following information:

- a. Specify the price and other terms of sale by the seller.
 - b. Provide that the purchaser will arrange for pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.
 - c. Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.
 - d. Provide that the purchaser is not obligated to pay for any necessary repairs.
 - e. Provide that the purchaser is not obligated to purchase should voucher assistance fail to be approved.
 - f. Contain a certification that the seller has not been debarred, suspended or subject to limited participation under part 24 of the Code of Federal Regulations.
-
1. The Garland Housing Agency will provide the lender with notice of the amount of the housing assistance payment prior to the close of escrow and will pay GHA's contribution to the family's homeowner expense directly to the family. The family will submit the entire mortgage payment to the lender unless the lender requires direct payment of the GHA's contribution. The lending institution will maintain an escrow balance for all costs outside of principal and interest.
 2. The HAP (housing assistance payment) cannot be used to cover the homeownership premium (the portion of the payment used to accumulate a down payment or reduce the purchase price).
 3. The Garland Housing Agency will not participate in any programs that are

“Lease to Own” or similar in nature. All home sale programs must be reviewed and approved by Garland Housing Agency staff before the participant will be allowed to purchase the home.

Continued Assistance Requirements & Family Obligations

Home Ownership assistance may only be provided while the family is residing in the home. If the family moves out of the home, the GHA will not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the GHA the homeownership assistance for the month when the family moves out.

The family must comply with the following obligations:

1. Pre assistance counseling during the search and purchasing process.
2. Annual ongoing counseling during annual income status review. During the annual income status review, if the GHA determines that the family requires additional counseling, the GHA may require the family to attend and complete ongoing homeownership and housing counseling.
3. Compliance with mortgage. The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of said debt).
4. The family is prohibited against selling the home receiving assistance without notifying and receiving prior written approval from the GHA.
5. Prohibition against conveyance or transfer of home: So long as the family is receiving homeownership assistance, use and occupancy of the home is subject to part 24 Code of Federal Regulations, Sec. 982.551(h) and (i).
6. Family must immediately report any change in family composition or income of family due to death, loss of job, or any other circumstance that will affect the family’s ability to maintain the home.
7. Upon death of a family member who holds, in part or in whole, title to the home or ownership of the cooperative membership shares for the home, homeownership assistance may continue pending settlement of the decedent’s estate, notwithstanding transfer of title by operation of law of the decedent’s executor or legal representative, so long as the home is solely occupied by the remaining family members in accordance with part 24 Code of Federal Regulations, Sec. 982.551(h).
8. The family must supply required information to the GHA in accordance with the Housing Choice Voucher program requirements stipulated in part 24 Code

of Federal Regulations, Sec. 982.551(b).

9. In addition to other required information, the family must supply any information as required by the GHA or HUD concerning:
 - a. Any mortgage or other debt incurred to purchase the home, and any refinancing of such debt (including information needed to determine whether the family has defaulted on the debt, and the nature of any such default), and information on any satisfaction or payment of the mortgage debt.
 - b. Any sale or other transfer of any interest in the home.
 - c. The family's homeownership expenses.
 - d. Notice of move out. The family must notify the GHA before the family moves out of the home.
 - e. Notice of mortgage defaults. The family must notify the GHA if the family defaults on a mortgage securing any debt incurred to purchase the home.
 - f. Prohibition on ownership interest on second residence. During the time the family receives homeownership assistance under this subpart, no family member may have any ownership interest in any other residential property.
 - g. The family must certify that they will comply and abide with obligations of a participant family receiving assistance under the Housing Choice Voucher and Homeownership programs requirements.
10. The family must allow GHA to inspect at reasonable time and after reasonable notice. The family must continue to pass minimum HUD HQS standards and make necessary repairs within the time frame designated by GHA.
11. The family must at annual reexamination, document that the family is current on mortgage, insurance, escrow accounts, and utility payments.
12. The family must maintain a minimum reserve equal to one year of the maintenance and major repair allowance. Families will need to provide documentation of repairs if account balance is less than the GHA required minimum.
13. The head of household or spouse must remain continuously employed (no less than 30 hours per week) while participating in the homeownership program. Part-time employment by both parties, totaling over 30 hours per week, does not constitute full-time employment by either party. GHA will consider mitigating circumstances where certain lapses in employment prohibit the family from meeting its continuous employment obligation. These include receipt of Unemployment Insurance Benefits due to layoff, absences defined under the Family Medical Leave Act; receipt of

Workman's Compensation benefits. GHA will allow a week a week for week substitution whenever any of these benefits are received.

A participant who is employed but is on leave from work due to maternity leave, FMLA, or is receiving Workman's Compensation, is exempt from the full-time employment requirement during the period of approved leave from work. A participant must return to full-time employment within 30 days after the exhaustion of applicable benefits. Willful failure to return to full-time employment (30 hours per week), after 30 days, will generate a warning for family obligations. Failure to correct within 60 days will result in a Notice of Termination.

The participant who willfully leaves employment must return to full-time employment within 60 days. Failure to return to full time employment (30 hours per week) within 30 days will generate a warning for family obligations. Failure to correct within 60 days will result in a Notice of Termination. GHA will consider mitigating circumstances and proof of job search before sending Notice of Termination.

Move with Continued Tenant-Based Assistance

1. A family may move with continued tenant based assistance or homeownership assistance as long as they have fulfilled all of their homebuyer obligations, including prior notification to the GHA.
2. If the Family defaults on an FHA insured mortgage, the GHA may permit the family to move with continued Housing Choice Voucher rental assistance if the family designates that it has:
 - a. Conveyed the title to the home to HUD or its designee, as required by HUD; and
 - b. Moved from the home within the time period established or approved by HUD.
3. If the Family defaults on a non - FHA insured mortgage, the GHA may permit the family to move with continued Housing Choice Voucher rental assistance if the family designates that it has:
 - a. Conveyed the title to the home to the lender, to GHA or to its designee, as may be permitted or required by the lender; and

- b. Moved from the home within the time period established and approved by the lender and/or the GHA.
4. The GHA will not begin tenant based assistance for occupancy of a new unit as long as any member of the family has any title or interest in the prior home.
5. The GHA prohibits more than one move by the family during any one year period. If the family receives down payment assistance through a grant program by the City of Garland, they may not be allowed to move for a period specified by the grant program. Otherwise, the family must comply by any additional requirements imposed by the lender.
6. The GHA may deny permission for the family to move based on unfulfilled obligations, affordability, and any other issues that violate the homeownership program requirements.
7. The Family may move with continued homeownership assistance and must again meet eligibility requirements but is not required to take homeowner counseling again unless the GHA determines additional counseling is needed.
8. The GHA may also deny permission to move to a new unit with continued voucher assistance as follows:
 - a. Lack of funding to provide continued assistance. The GHA may deny permission to move with continued rental or homeownership assistance if the GHA determines it does not have sufficient funding to provide continued assistance.
 - b. Termination or denial of assistance under part 24 of the Code of Federal Regulations, Sec 982.638. At any time, the GHA may deny permission to move with continued rental or homeownership assistance with Sec 982.638
9. If a family requests to return to rental assistance, GHA may provide the family with a rental voucher, provided there is no mortgage loan default and the family has met all obligations under the HCV Program. The family must sell the home before GHA provides rental assistance. GHA will not provide rental vouchers to families that have met their maximum term of homeownership assistance.

Payment of the HAP to the Family and the Total Family Contribution

1. Since Housing Choice Voucher funding is subject to annual appropriations, the Garland Housing Agency cannot guarantee that assistance will be available for the term of the loan. GHA pays the monthly homeownership assistance payment on behalf of the family that is equal to the lower of :
 - a. the payment standard minus the total tenant payment; or
 - b. the family's monthly homeownership expenses minus the total tenant payment.
2. The GHA will make the assistance payment to the family. The family will be required to ensure that payment for the full mortgage (consisting on the HAP payment and the TFC) is forwarded to the lending institution.
3. Homeownership expenses are considered to be the amount paid by the family for the principle, interest, taxes and insurance (PITI) and if needed the mortgage insurance premium. Homeownership allowances are considered to be the GHA's utility allowance standard. In addition, a repair/reserve amount and any homeowner association dues will be considered the homeowner's responsibility to maintain. The repair/reserve amount schedule will be as follows:
 - Maintenance Allowance \$25.00/month
 - Major Repair Allowance- \$25.00/month
4. Payment standard for family.
 - (1) The payment standard for a family upon closing is the lower of:
 - (i) The payment standard for the family unit size; or
 - (ii) The payment standard for the size of the home.
 - (2) The payment standard for a family at the time of annual recertification is the greater of:
 - (i) The payment standard (as determined in accordance with paragraphs (4)(1) and (4)(2) of this section) at the commencement of homeownership assistance for occupancy of the home; or
 - (ii) The payment standard (as determined in accordance with paragraphs (4)(1) and (4)(2) of this section) at the most recent regular reexamination of family income and composition since the

commencement of homeownership assistance for occupancy of the home.

5. Except in the case of elderly or disabled families, family members shall not receive homeownership assistance for more than fifteen (15) years, if the initial term of the mortgage loan is 20 years or longer or ten (10) years in all other cases. These limitations do not apply to families that qualify as elderly or disabled.
6. The total family contribution is the portion of homeownership expense that the family must pay. It is generally 30% of the family's adjusted income, plus any gap between the payment standard and the actual housing cost. All family income (including public assistance) will be counted to determine the family's adjusted monthly income for purposes of determining the amount of assistance.

The Garland Housing Agency will use the same payment standard schedule, payment standard amounts and subsidy standards pursuant to part 24 of the Code of Federal Regulations for the homeownership program as for the rental voucher program.

Portability

1. A family may qualify to move outside the GHA jurisdiction with continued assistance under the voucher program if the receiving Housing Authority is administering a Homeownership program and accepting new families.
2. A family shall be eligible for portability after 12 continuous months under the tenant based program.
3. The family must attend the briefing and counseling sessions required by the receiving PHA and the receiving PHA will determine whether the unit condition and financing is acceptable.
4. The family will port before the commencement of any home ownership activities.
5. The receiving PHA must promptly notify the initial PHA if the family purchases a home or is unable to purchase within the maximum time established by the PHA.

Denial and/or Termination of Assistance

The Garland Housing Agency shall terminate homeownership assistance for the family and shall deny voucher rental assistance for the family in accordance with the following:

1. Denial or termination of assistance under the basic voucher program as described in the Tenant Based Voucher Administration plan.
2. Failure to comply with family obligations.
3. Mortgage default: The GHA shall terminate voucher assistance for any member of the family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage securing debt incurred to purchase the home, or any refinancing of the debt.
4. The family conveys or transfers the home to any entity or person other than an adult member of the assisted family while receiving homeownership assistance.
5. Homeownership assistance will be terminated the month following the move out of the family.
6. A family may receive homeownership assistance for no longer than ten (10) years from the close of escrow unless the initial mortgage incurred to finance purchase of the home is twenty (20) years or longer, in which case the assistance time period will be fifteen (15) years.
 - a. Families that qualify as elderly at the commencement of the homeownership assistance are not subject to a maximum term limitation.
 - b. Families that are disabled or become disabled are not subject to the maximum term limitation.
 - c. If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the family will continue to be eligible for the homeownership assistance, subject to eligibility requirements of the Housing Choice Voucher program. The term of assistance will change to a maximum of 15-years for mortgages with a

20 year or longer term and a maximum ten year term in all other cases. This term will be calculated from the date of issuance of the first housing assistance payment on the initial mortgage loan. If the family ceases to qualify as a disabled or elderly family and the 15 or 10 year term has expired then the family will receive 6 months of monthly HAP payments and then the homeownership assistance will terminate.

- d. The time limit applies to any member of the household who has an ownership interest in the unit during any time that homeownership payments are made, or is a spouse of any member of the household who has an ownership interest.

A participant in the Housing Choice Voucher Homeownership program shall be entitled to the same termination notice and informal hearing procedures as set forth in the Administrative Plan for the Garland Housing Agency Housing Choice Voucher Housing Choice Voucher program.

Recapture Provisions

The GHA will not recapture voucher homeownership assistance on the sale or refinancing of a home purchased under its Housing Choice Voucher Homeownership program. However, program participants may be subject to IRS recapture provisions, and those of any other lenders the GHA may partner with. It is required that the owner notifies the GHA of any sale or refinancing plans.

This page left intentionally blank



GARLAND

HOUSING AGENCY

**Family Self-Sufficiency
Action Plan**

administered by:
Garland Housing Agency
210 Carver; Suite. 201
Garland, TX 75040
(972) 205-3393

Steven Fitch, Director of Housing

Exhibit B

The Garland Housing Agency Family Self-Sufficiency (FSS) Program assists qualifying families enrolled in the Housing Choice Voucher Program with attaining economic independence and reducing the dependency of low income families on welfare assistance on HCV Housing Choice Voucher.

The FSS Program empowers families to become self-sufficient through the removal of barriers and by increased access to education, employment opportunities, and referrals to supportive services for barrier removal and home ownership preparation by:

- Partnering with social service providers, workforce programs and other private/non-profit organizations to ensure that contracted families have better access to available services.
- Through unique partnerships with the private sector, the FSS Program also incorporates wealth building curriculums and individualized homeownership counseling to prepare families for independence through homeownership.

Demographics

The Garland Housing Agency administers approximately 1500 vouchers. The FSS program originally began with 75 mandatory slots. GHA expects to replace participants as slots become available and will service no more than 100 families at a time.

The following demographics were based on active participants in the Housing Choice Voucher program:

White	23%
Black/ African American	68%
Asian	8%
American Indian/Alaska Native	1%
Hispanic	7%
Non-Hispanic	93%
Female Head of Households	87%
Male Head of Households	13%

The following demographics were based on active participants in the FSS Program:

White	4%
Black/ African American	96%
Asian	0%
American Indian/Alaska Native	0%
Hispanic	1%
Non-Hispanic	99%
Female Head of Households	99%
Male Head of Households	1%

GHA does not work with any outside Family Self-Sufficiency programs providing case management.

Family Selection Procedures

GHA will employ motivational screening as the selection method for filling the FSS program slots. Participation in the FSS program is voluntary and volunteers will be accepted without regard to race, color, religion, sex, age, handicap, familial status or national origin. The assisted family must be interested in homeownership or becoming self-sufficient in order to enroll in the FSS program. Reasonable accommodations will be made for individuals with mobility, manual, sensory, speech impairments and/or mental or developmental disabilities.

Selection Process

At the time of application to the FSS Program, participants will be required to meet the following criteria prior to signing the FSS Contract of Participation. Failure to meet one or more of these criteria will eliminate applicant from program enrollment.

1. An applicant must be a current participant in the GHA HCV Program, receiving a housing subsidy and in good standing (not delinquent in housing debt repayment agreement or owes money to another PHA). This includes families that utilized portability from other agencies.
2. If a family wishes to join the FSS Program and is a current port, the Initial PHA must agree to establish the FSS Escrow account or send the monthly Escrow payment with HAP payments.
3. Attend an FSS Program Orientation.
4. FSS participants will be selected on a first-come, first-served basis in accordance with the date the family expresses an interest in the program, submits and completes the application process.

5. The head of household must develop and agree to follow an Individual Training and Services Plan with the goal of obtaining full time regular employment. Other adult family members eligible for housing assistance (eighteen years of age or older) may also choose to complete an Individual Training and Services Plan.
6. If the family is participating in supportive service plans of other agencies, the family must agree to submit a copy of the plan(s) to the FSS Coordinator for review and inclusion in the FSS Individual Training and Services Plan.
7. The family must agree to abide by all requirements of the HCV program, the Individual Training and Service Plan, the terms of their lease, HQS, all policies and regulations established by HUD, GHA, and if the participant is receiving public assistance (i.e., TANF, etc.), the participant must be in compliance with and abide by state welfare requirements.
8. Previous FSS participants may reapply for the program if they did not successfully complete their Individual Training Plan after a one year waiting period.

Incentives to Participants

GHA will reward participant success in achieving program objectives and goals by providing incentives and achievement rewards when available and the FSS Escrow Account.

FSS Escrow Account

The National Affordable Housing Act of 1990 provided the financial incentive for families to free themselves of government assistance. Under this authorization, GHA will maintain a single depository account for all FSS families. These funds will be invested in one or more of the HUD approved investments.

The Tenant Total Payment (TTP) amount at the contract execution date will be used as the basis for determining the escrow amount once the family's earned income increases.

Re-calculations of the escrow amount are based on any changes in the family's earned income. If the FSS family fails to report or is untimely in reporting changes to income, GHA will not credit the family's escrow account and the housing subsidy will be placed in jeopardy.

GHA will provide an annual report/Escrow Account Statement to the family showing the amount in the FSS Escrow Account including any interest amounts earned during the prior 12 month period.

Disbursement of the Escrow Funds

GHA has elected not to participate in early disbursement of FSS Escrow

funds.

The amount in the FSS Escrow Account, in excess of any amount owed to GHA by the FSS Family, shall be paid to the head of the FSS Family when the Contract of Participation has been completed.

In order to receive escrow funds upon completion of the FSS program a certification must be submitted by the head of the family that no member of the FSS Family household is a recipient of welfare assistance.

Forfeiting Escrow Funds

Should it become necessary, the FSS Escrow Account Funds will be forfeited by the family if one or more of the following occurs:

- The Contract of Participation is terminated for reasons that are not consistent with the Contract of Participation.
- The Contract of Participation including any extension thereof is completed by the family but the FSS family is still receiving welfare assistance.
- Voluntary withdrawal from the program by the FSS family.

Outreach Efforts

GHA will inform HCV participant of the FSS Program by the following means:

The FSS Program will primarily target the following populations for FSS participation:

- the hardest-to-serve housing participants (those reporting zero income);
- families interested in becoming self-sufficient
- assisted families interested in homeownership

Assurance of Inclusion of Minority and Non-minority

GHA will take actions to assure that both minority and non-minority groups are informed about the FSS Program as described below.

Outreach and Recruitment Strategies

GHA FSS Program utilizes a variety of outreach strategies as outlined below in informing HCV participants of the benefits and services available through the FSS Program.

1. FSS recruitment presentations are made routinely at the scheduled New HCV Admissions Orientations.
2. Mail outs to families for FSS Orientations to occur at least annually.

Activities and Supportive Services

FSS participants will be assisted in identifying and accessing community services and resources designed to help them remove barriers to achieve self-sufficiency as noted below:

- basic education providers
- post-secondary education providers
- job search activities
- homebuyers program coordination
- other workshop activities
- supportive services activities

Job Search Activities

The FSS participant with guidance from the FSS Coordinator will establish long-term employability goals that will lead to economic self-sufficiency. FSS participants who are unemployed or under employed, must actively seek and maintain full-time unsubsidized employment throughout their enrollment in the FSS program.

GHA will assist in job search activities by:

- Conducting workshops relating to job search activities
- Maintaining a list of job openings and career fairs

Unemployed or under employed participants may be assisted and/or referred to:

- The Texas Workforce Commission to officially register their employment status, apply for Unemployment Insurance benefits and apply for job search assistance.
- Local workforce development programs which provide intensive jobs search assistance, job search workshops and further referral to workforce development programs such as training, work experience and on-the-job training activities.

Participation in such activities must be reported to the FSS Program Coordinator.

Other Workshop Activities Provided By GHA

Workshops designed to increase participant's job search and employability skills will be provided by GHA. FSS participants will be referred to specific workshops based upon their needs as identified in the assessment process.

Additional Workshops may include the following topics:

- Career Preparation

- Financial Aid -- Show Me the Money
- Helpful Housekeeping
- Job Search: Where Do I Begin
- Parenting and Life Skills
- Job Hunting Tips
- How to Manage Stress
- Manage Your Stress Better with a Budget

Participants unable to attend the GHA workshops due to work schedules or other scheduling conflicts; may attend other service provider trainings. Documentation for completion of workshop activities must be submitted to the FSS Coordinator.

Supportive Services

GHA will refer FSS participants to area service providers for assistance with supportive service needs. Referrals will be based upon an individual needs assessment, the Individual Training and Services Plan, and/or at the request of the FSS participants.

Referrals may include but not limited the following resources:

- Texas 211
- YWCA
- Urban League of Greater Dallas
- Texas Workforce Commission
- Child Care Management System
- Texas Department of Assistive and Rehabilitative Services
- Friendship House
- Our Ladies of Charity
- Dress for Success

Method for Identification of Family Support Needs

GHA will use a variety of methods for Case Management Services

1. Upon signing of an FSS Contract of Participation, the Head of Household will complete a needs assessment questionnaire.
2. The Individual Training and Services Plan is used to establish and document long-term employment and interim goals, support services needs and appropriate referrals needed to assist the family to achieve self-sufficiency.
3. The FSS Coordinator will conduct periodic progress reports through the mail, email or phone interviews.
4. The Individual Training and Services Plan will be updated, at a minimum on an annual basis. At that time the participant's progress

will be reviewed and the plan will be modified as needed.

Program Coordinating Committee (PCC)

The primary function of the PCC is to assist GHA in securing commitments of public and private resources for the participants in the FSS Program and may include advice and guidance with complex situations or circumstances and further development of the program.

There is no minimum or maximum number of individuals needed to complete the PCC. The committee shall always contain at least one member of GHA and one HCV participant. Other members of the PCC board will be of public and private sectors that assist in planning activities for FSS participants to assist in meeting their goals. Example of members may include but is not limited to representatives of the following agencies:

- Area nonprofits
- Parkland Hospital System
- City Government Employees
- Texas Workforce Commission
- Banks
- Community College Representatives
- Employers

Participants of the PCC Board will be asked to make at least a one year commitment. An agency may elect whom they wish to send as a representative and does not have to be the same individual for each meeting.

The PCC Board will meet at least quarterly.

Program Termination

The Contract of Participation may be terminated before the expiration of the contract term, and any extension thereof by:

1. Termination of HCV (Housing Choice Voucher) assistance.
2. Failure to comply with Housing Choice Voucher Program contract requirements because the family moved outside the jurisdiction of GHA.
3. Mutual Consent of the Parties.
4. Failure of the family to meet its obligations under the Contract of Participation without Good Cause.
5. The family's voluntary withdrawal from the FSS Program.
6. An act occurs which an FSS participants becomes unable to work or otherwise unable to fulfill the terms of the contact due to illness
7. Failure to comply with any other HUD or GHA rules and regulations.

8. Failure to comply with established FSS guidelines.
9. If the participant dies, and the remaining adult family member on the lease chooses not to continue participating in the program and the contract obligations have not been met.
10. Such other act as is deemed inconsistent with the purpose of the FSS Program or operation of law.

Families will be notified in writing of their termination in the FSS program.

Families' contracts that are terminated due to failure complete their ITSP, find and maintain full time employment, or become free of welfare assistance for one year as defined in the Contract of Participation may request up to a two year extension if good cause exist. Examples of good cause include:

- Loss of job due to no fault of the individual
- Death of family member
- Illness interfering with ability to work

Extensions must be asked for in writing.

ASSURANCE OF NON-INTERFERENCE

Housing Choice Voucher families will be informed that the Family Self-Sufficiency program is a voluntary program. A decision not to participate in FSS will not affect the family's admission or right to occupancy with its lease. Families may complete their FSS contract and receive escrow while continuing to receive housing assistance under the voucher program.