



Housing Choice Voucher Administrative Plan

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Chapter 1

STATEMENT OF POLICIES AND OBJECTIVES

INTRODUCTION

The Section 8 Program was enacted as part of the Housing and Community Development Act of 1974, which recodifies the U.S. Housing Act of 1937. The Act has been amended from time to time, and its requirements, as they apply to the Section 8 Tenant-Based Assistance Program, is described in and implemented throughout this Administrative Plan. The Section 8 tenant-based assistance programs are federally funded and administered for the City of St. Petersburg by the Housing Authority of the City of St. Petersburg through its Section 8 Housing Choice Voucher housing office.

As a result of the Quality Housing and Work Responsibility Act of 1998 (QHWRA), the Rental Certificate and Rental Voucher Programs were phased out by the middle of year 2001. This plan includes the policies of the St. Petersburg Housing Authority (SPHA) for the Housing Choice Voucher Program.

Administration of the Section 8 Program and the functions and responsibilities of the Housing Authority (PHA) staff shall be in compliance with the PHA's Personnel Policy and the Department of Housing and Urban Development's (HUD) Section 8 Housing Choice Voucher Regulations as well as all Federal, State and local Fair Housing Laws and Regulations.

Jurisdiction

The jurisdiction of the PHA is City of St. Petersburg, and ten (10) miles outside of the city limits.

A. HOUSING AUTHORITY MISSION STATEMENT

The mission of the Housing Authority is to provide a variety of safe, sanitary, accessible, decent and affordable housing to the citizens of the City of St. Petersburg, while enhancing and promoting self-sufficiency.

B. LOCAL GOALS [24 CFR 982.1]

The Section 8 Housing Choice Voucher program is designed to achieve four major objectives:

1. To provide decent, safe, and sanitary housing for low and very low income families while maintaining rent payments at an affordable level.
2. To ensure that all units meet Housing Quality Standards and families pay fair and reasonable rents.

3. To promote fair housing and the opportunity for low and very low income families of all ethnic backgrounds to experience freedom of housing choice.
4. To promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to low and very low income families.

In addition, the SPHA has the following goals for the program:

1. To create positive public awareness and expand the level of family, owner and community support in accomplishing the Housing Authority's mission.
2. To attain and maintain a high level of standards and professionalism in the day to day management of all program components.
3. To assist the local economy by increasing the occupancy rate and the amount of money flowing into the community.

C. PURPOSE OF THE PLAN [24 CFR 982.54]

The purpose of the Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the Agency Plan. The Plan covers both admission to and participation in the Voucher Program.

SPHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence. The SPHA will revise this Administrative Plan as needed to comply with changes in HUD regulations. All issues related to Section 8 not addressed in this document are governed by such Federal regulations, HUD Memos, Notices and guidelines, or other applicable law. The original Plan and any changes must be approved by the Board of Commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

This Administrative Plan is a supporting document to the SPHA Agency Plan, and is available for public review as required by CFR 24 Part 903.

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 983: Project-Based Voucher (PBV) Programs
- 24 CFR Part 985: Section 8 Management Assessment Program (SEMAP)

D. ADMINISTRATIVE FEE RESERVE [24 CFR 982.54(d)(21)]

SPHA will maintain Section 8 administrative fee reserves by crediting earned administrative fees that exceed expenditures for program administration during the fiscal year to the reserve account.

Expenditures from the Administrative Fee Reserve in excess of \$_____ require approval by the CHA Board of Commissioners or other governing body.

SPHA will deny authorization for expenditures for non-allowable costs as defined by HUD.

E. FAIR HOUSING POLICY [24 CFR 982.54(d)(6)]

It is the policy of SPHA to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

SPHA shall not deny any family or individual the equal opportunity to apply for or receive assistance under the Section 8 Programs on the basis of race, color, sex, religion, creed, national or ethnic origin, age, familial or marital status, handicap or disability or sexual orientation.

To further its commitment to full compliance with applicable Civil Rights laws, SPHA will provide Federal/State/local information to Voucher holders regarding unlawful discrimination and any recourse available to families who believe they are victims of a discriminatory act. Such information will be made available during the family briefing session, and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Voucher holder's briefing packet.

Except as otherwise provided in 24 CFR 8.21(c)(1), 8.24(a), 8.25, and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because SPHA's facilities are inaccessible to or unusable by persons with disabilities. Posters and housing information are displayed in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

Under 24 CFR 5.2005(c)(2), criminal activity directly related 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 tenancy, occupancy rights, or assistance of the victim, if the tenant or immediate family member of the tenant is the victim.

SPHA'S office is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by an available TTD/TDY service.

F. REASONABLE ACCOMMODATIONS POLICY [24 CFR 100.202]

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

A Section 8 participant with a disability must first ask for a specific change to a policy or practice as an accommodation of their disability before SPHA will treat a person differently than anyone else.

SPHA's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services.

This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan including when a family initiates contact with SPHA, when SPHA initiates contact with a family including when a family applies, and when SPHA schedules or reschedules appointments of any kind.

Requests for reasonable accommodations from persons with disabilities will be granted at the expense of SPHA upon verification that they meet the need presented by the disability, and they do not create an undue administrative or financial burden.

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

SPHA may approve a payment standard for not more than 120% of the Fair Market Rent as a reasonable accommodation for a family with a person with a disability. With HUD's prior approval, SPHA may approve a payment standard more than 120% of the Fair Market Rent as a reasonable accommodation for a family with a person with a disability.

Applying for Admission

All persons who wish to apply for any of SPHA's programs must submit a pre-application, as indicated in our public notice. Applications will be made available in an accessible format upon request from a person with a disability.

To provide specific accommodation to persons with disabilities, upon request, the information may be mailed to the applicant and, if requested, it will be mailed in an accessible format.

The full application is completed at the eligibility appointment in the applicant's own handwriting, unless assistance is needed, or a request for accommodation is requested by a person with a disability. Applicants will then be interviewed by PHA staff to review the information on the full application form. Verification of disability as it relates to 504, Fair Housing, or ADA reasonable accommodation will be requested at this time. The full application will also include questions asking all applicants whether reasonable accommodations are necessary.

G. TRANSLATION OF DOCUMENTS

In determining whether it is feasible to provide translation of documents written in English into other languages, SPHA will consider the following factors:

- Number of applicants and participants in the jurisdiction who do not speak English and speak the other language.
- Estimated cost to SPHA per client of translation of English written documents into the other language.
- Evaluation of the need for translation by SPHA's bilingual staff and by agencies that work with the non-English speaking clients.
- The availability of local organizations to provide translation services to non-English speaking families.
- Availability of bilingual staff to provide translation for non-English speaking families.
- Violence Against Women Act (VAWA) – The goal of SPHA is to fully comply with the VAWA law. It is our objective to work with applicants or residents who certify under VAWA to ensure that they are aware of their rights under VAWA. Information regarding VAWA will be displayed in a public place in the Section 8 office.

H. MANAGEMENT ASSESSMENT OBJECTIVES

SPHA operates its housing assistance program with efficiency and can demonstrate to HUD auditors that SPHA is using its resources in a manner that reflects its commitment to quality and service. SPHA policies and practices are consistent with the areas of measurement for the following HUD SEMAP indicators.

1. Selection from the Waiting List
 2. Reasonable Rent
 3. Determination of Adjusted Income
 4. Utility Allowance Schedule
 5. HQS Quality Control Inspections
 6. HQS Enforcement
 7. Expanding Housing Opportunities
 8. Payment Standards
 9. Annual Re-examinations
 10. Correct Tenant Rent Calculations
 11. Pre-Contract HQS Inspections
 12. Annual HQS Inspections
 13. Lease-up
 14. Family Self-Sufficiency Enrollment and Escrow Account Balances (if applicable)
- Bonus Indicator: Deconcentration

Supervisory quality control reviews will be performed by an SPHA Supervisor or other qualified person other than the person who performed the work, as required by HUD, on the following SEMAP factors:

- Selection from the waiting list

- Rent reasonableness
- Determination of adjusted income
- HQS Enforcement
- HQS Quality Control

The annual sample of files and records will be drawn in an unbiased manner, leaving a clear audit trail.

The minimum sample size to be reviewed will relate directly to each factor.

I. TERMINOLOGY

The Housing Authority of the City of St. Petersburg is referred to as “SPHA” or “*Housing Authority*” throughout this document.

“*Family*” is used interchangeably with “*Applicant*” or “*Participant*” and can refer to a single person family.

“*Tenant*” is used to refer to participants in terms of their relation to landlords. “*Landlord*” and “*owner*” are used interchangeably. “*Disability*” is used where “*handicap*” was formerly used.

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

The Section 8 program is also known as the Housing Choice Voucher Program.

“*HQS*” means the Housing Quality Standards required by regulations as enhanced by the SPHA.

“*Failure to Provide*” refers to all requirements in the first Family Obligation. See “*Denial or Termination of Assistance*” chapter.

“*Merger date*” refers to October 1, 1999, which is the effective date of the merging of the Section 8 Certificate and Voucher programs into the Housing Choice Voucher Program. See Glossary for other terminology.

J. PRIVACY RIGHTS [24 CFR 982.551 and 24 CFR 5.212]

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

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

SPHA's practices and procedures are designed to safeguard the privacy of applicants and program participants. All applicant and participant files will be stored in a secure location which is only accessible by authorized staff.

SPHA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

K. FAMILY OUTREACH

SPHA will publicize and disseminate information to make known the availability of housing assistance and related services for very low income families on a regular basis. When SPHA's waiting list is open, SPHA will publicize the availability and nature of housing assistance for very low income families in a newspaper of general circulation, minority media, and by other suitable means.

SPHA will communicate the status of housing availability to other service providers in the community, and advise them of housing eligibility factors and guidelines in order that they can make proper referrals for housing assistance.

L. OWNER OUTREACH [24 CFR 982.54(d)(5)]

SPHA makes a concerted effort to keep private owners informed of legislative changes in the tenant-based program, which are designed to make the program more attractive to owners. This includes informing participant owners of applicable legislative changes in program requirements.

SPHA encourages owners of decent, safe and sanitary housing units to lease to Section 8 families.

SPHA encourages participation by owners of suitable units located outside areas of low poverty or minority concentration. This will allow more choices and better housing opportunities for families.

SPHA staff may initiate personal contact with private property owners and managers by conducting formal and informal discussions and meetings.

Chapter 2

ELIGIBILITY FOR ADMISSION

[24 CFR Part 5, Subparts B, D & E; Part 982, Subpart E]

INTRODUCTION

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

A. ELIGIBILITY FACTORS [982.201(b)]

To be eligible for participation, an applicant must meet HUD's criteria, as well as any permissible additional criteria established by SPHA.

The HUD eligibility criteria are:

- An applicant must be a "family"
- The head of household must be at least 18 years of age or an emancipated minor
- An applicant must be within the appropriate Income Limits
- An applicant must furnish Social Security numbers for all family members except those family members that do not contend to have eligible immigration status.
- An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and verification where required
- At least one member of the applicant family must be either a U.S. citizen or have eligible immigration status before SPHA may provide any financial assistance

Reasons for denial of admission are addressed in the "Denial or Termination of Assistance" chapter. These reasons for denial constitute additional admission criteria.

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors.

B. FAMILY COMPOSITION [24 CFR 982.201(c)]

The applicant must qualify as a family. A family is defined as:

A 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, displaced disabled near-elderly or any other single person; or
2. A group of persons residing together, and such group includes but is not limited to:

- A family with or without children

A child temporarily away from the home because of a placement in foster care is considered a member of the family

- An elderly family

A family whose head, spouse, co-head or sole member is at least 62 years of age.

It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

- A near-elderly family;

A family whose head, spouse or co-head or sole member is at least 50 years of age but below the age of 62; or

Two or more persons who are at least 50 year of age but below the age of 62 living together; or

One or more persons who are at least 50 years of age but below the age of 62, living with one or more live-in aides

- A disabled family

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

- A displaced family

A family wherein 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.

- Remaining member of a tenant family

A family member or members of household eligible to assume full responsibility for

the voucher in the event of the death of the head of household. This can be the spouse, co-head or other adult family member. In the event that a minor remains, other rules apply and may be determined on a case-by-case basis.

3. *A Family Member*, [5 USCS §§ 8701 et seq.,] when used with respect to any individual, means:

- (A) The spouse of the individual; and
- (B) An unmarried dependent child of the individual (other than a stillborn child), including an adopted child, stepchild or foster child (but only if the stepchild or foster child lived with the individual in a regular parent-child relationship), or recognized natural child;
 - (i) Who is less than 22 years of age, or
 - (ii) Who is 22 years of age or older and is incapable of self-support because of a mental or physical disability which existed before the child became 22 years of age.” *All family members are subject to HUD rules regarding income and allowances.*

Head of Household

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

Spouse of Head

Spouse means the husband or wife of the head.

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

Co-Head

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

Live In Aide

A family may include a **live-in aide** provided that the live-in aide:

- Is determined to be essential to the care and well-being of an elderly person, a near-elderly person, or a person with a disability;
- Is not obligated for the support of the person(s); and

- Would not be living in the unit except to provide the necessary supportive services for the person(s). A live-in aide is treated differently than family members;
- Income of the live-in aide will not be counted for purposes of determining eligibility or level of benefits;
- Live-in aide is not subject to Non-Citizen Rule requirements; and
- Live-in aide will not be considered as a remaining member of the applicant or participant family.

A live-in aide may only reside in the unit with the approval of SPHA and owner. Written verification will be required from the doctor providing the particular care at each annual reexamination. The verification must specifically state that a live-in aide is essential for the daily care of the family member who is elderly, near-elderly or disabled. Live-in aide must provide proof of any certification and qualifications. Certifications and qualifications must be from an accredited institution. This certification must be verified and approved by SPHA.

Live-in aides must meet all of the elements of the definition described above. The Owner of the assisted unit cannot serve as live-in aide.

The live-in aide's family members may also reside in the unit with SPHA's and the owner's prior written approval. The presence of the live-in aide's family members must not overcrowd the unit, and a larger voucher size for the live-in aide's family will not be granted.

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

At any time, SPHA may refuse to approve a particular person as a live-in aide or may withdraw such approval if (24 CFR 982.316):

- The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- The person commits drug-related criminal activity or violent criminal activity; or
- The person currently owes rent or other amounts to SPHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.
- The person does not qualify under the eligibility criteria described in this Plan.

Split Households Prior to Voucher Issuance

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, SPHA will make the decision taking into consideration the following factors:

- Which family member applied as head of household.
- Which family unit retains the children or any disabled or elderly members.
- Restrictions that were in place at the time the family applied.
- Role of domestic violence in the split.

- Recommendations of social service agencies or qualified professionals such as children's protective services.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide the documentation, they may be denied placement on the waiting list for failure to supply information requested by SPHA.

Multiple Families in the Same Household

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

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 183 days of the year, which do not have to run consecutively.

There will be a self-certification required of families who claim joint custody or temporary guardianship.

When both parents are on the Waiting List and both are trying to claim the child, the parent whose address is listed in the school records will be allowed to claim the school-age child as a dependent.

C. INCOME LIMITATIONS [24 CFR 982.201(b), 982.353]

To be eligible for assistance, an applicant must be either a:

- Very low income family, as defined by the very low income limits published by HUD in the Federal Register for the St. Petersburg area; or
- Low income family in any of the following categories:
 - Low income family, as defined by the income limits published by HUD in the Federal Register for the St. Petersburg area; or
 - A low-income family that is continuously assisted under the 1937 Housing Act.
 - An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 60 days of voucher issuance. Programs include any housing federally assisted under the 1937 Housing Act.
 - A low-income family physically displaced by rental rehabilitation activity under 24 CFR part 511.
 - A low-income non-purchasing family residing in a HOPE 1 or HOPE 2 project.
 - A low-income non-purchasing family residing in a project subject to a home- ownership program under 24 CFR 248.173.
 - A low-income family or moderate income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage

insurance contract under 24 CFR 248.165.

- A low-income family that qualifies for Voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program.

To determine if the family is income-eligible, SPHA compares the Annual Income of the family to the applicable income limit for the family's size.

Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.

D. MANDATORY SOCIAL SECURITY NUMBERS [24 CFR 5.216, 5.218]

Applicant families are required to provide verification of Social Security Numbers for all family members prior to admission. If the family is unable to provide verification of SSNs the family may remain on the waiting list and maintain his/her position for a period designated by the PHA.

Participant families are required to provide verification of social security numbers. If all members of the household do not provide verification of social security numbers, the housing assistance of the participant family will be terminated.

The PHA may defer termination and provide the family the opportunity to comply within a period not to exceed 90 calendar days from the date non-compliance was determined if the failure to comply could not be foreseen and were out of the control of the family; and there is reasonable likelihood the family will be able to comply by the deadline.

Existing program participants, who as of January 31, 2010, were 62 years of age or older (born on or before January 31, 1948). This exemption continues even if the individual moves to a new public housing assisted unit.

E. CITIZENSHIP/ELIGIBLE IMMIGRATION STATUS [24 CFR Part 5, Subpart E]

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

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

Mixed Families. A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called "mixed." Such applicant families will be given notice that their assistance will be pro-rated and that they may request a hearing if they contest this determination.

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

Non-citizen students. Defined by HUD in the non-citizen regulations at 24 CFR 5.522. Not eligible for assistance.

Appeals. For this eligibility requirement only, the applicant is entitled to a hearing exactly like those provided for participants.

F. OTHER CRITERIA FOR ADMISSIONS [24 CFR 982.552(b)]

SPHA will apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the program:

- o A family will not be admitted to the program if any member of the family has been evicted from federally assisted housing for serious violation of the lease.
- o A family will be denied admission to the program if any member of the family fails to sign and submit consent forms for obtaining information required by SPHA, including Form HUD-9886.
- o The family must not have violated any family obligation during a previous participation in the Section 8 program from 5 years of the date of termination.
- o The SPHA will make an exception, if the family member who violated the family obligation is not a current member of the household on the application.
- o The family must have paid any outstanding debt owed SPHA or another PHA as a result of prior participation in any federal housing.
- o No member of the family may have been convicted for drug related or violent criminal activity within five (5) years prior to the time of eligibility determination. The five (5) year time period commences upon completion and disposition of all pending and proposed cases. SPHA will require police records for all adults in the household to determine whether any member of the family has violated any of the prohibited behaviors as referenced in Chapter 15, Section B, "One Strike."
- o The applicant must not have a non-violent felonious history or repetitive criminal history that may negatively impact the residents/participants, staff, SPHA, programs, community and other such entities within the past five (5) years. The five (5) year time period commences upon completion and disposition of all pending and proposed cases.
- o If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, SPHA may deny assistance and may refer the family file/record to the proper authorities for appropriate disposition.
- o No family member may have committed a dangerous sex offense or be registered as a Sexual Predator/Offender.
- o The applicant was clearly advised of a requirement to notify SPHA of its continued interest by a particular time and failed to do so.
- o SPHA has made reasonable efforts to contact the applicant to determine if there is a continued interest, but has been unsuccessful.
- o The applicant fails to respond to one SPHA written communication regarding failure to comply with application update, interview, or briefing requirements within the specified timeframe. If a letter is returned by the Post Office without a forwarding address, the applicant will be removed without further notice, and the envelope will be maintained in the file. If a letter is returned with a forwarding address, it will be re-mailed to the address indicated.

G. TENANT SCREENING [24 CFR 982.307]

SPHA will take into consideration any of the criteria for admission described in the "Denial or Termination of Assistance" chapter.

SPHA will not screen family behavior or suitability for tenancy. SPHA will not be liable or responsible to the owner or other persons for the family's behavior or the family's conduct in tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before SPHA approval of the tenancy, SPHA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

The owner is responsible for screening families based on their tenancy histories, in accordance with 24 CFR 982.307(a)(3).

SPHA will advise families how to file a complaint if they have been discriminated against by an owner. SPHA will advise the family to make a Fair Housing complaint. SPHA may also report the owner to HUD (Fair Housing/Equal Opportunity) or the local Fair Housing Organization.

H. CHANGES IN ELIGIBILITY PRIOR TO EFFECTIVE DATE OF THE CONTRACT

Changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility or share of the rental payment.

I. INELIGIBLE FAMILIES

Families who are determined to be ineligible will be notified in writing of the reason for denial and given an opportunity to request an informal review, or an informal hearing if they were denied due to noncitizen status. See "Complaints and Appeals" chapter for additional information about reviews and hearings.

J. PROHIBITED ADMISSIONS CRITERIA [982.202(b)]

Admission to the program may not be based on where the family lives before admission to the program.

Admission to the program may not be based on:

Where a family lives prior to admission to the program. Where the family will live with assistance under the program.

Discrimination because members of the family are unwed parents, recipients of public assistance, or children born out of wedlock.

Discrimination because a family includes children.

Whether a family decides to participate in a family self-sufficiency program; or

Other reasons as listed in the "Statement of Policies and Objectives" chapter under the Fair Housing and Reasonable Accommodations sections.

Chapter 3

APPLYING FOR ADMISSION

[24 CFR 982.201; 982.202; 982.204]

A. Pre-Application

The SPHA will open the waiting list at such time that there is not a large enough pool of qualified applicants to fulfill our Annual Contribution Contracts. In order to meet/maintain the requirements for income targeting, the agency may advertise for applicants whose income is thirty percent (30%) of the area median income limit.

When SPHA opens a waiting list, SPHA must give a public notice that families may apply for tenant-based assistance. The public notice will state where and when to apply. SPHA may use either of the following approaches to place pre-applicants on the waiting list (24 CFR 982.207 (c)).

1. Date and time of application; or
2. A drawing or other random choice technique (e.g., lottery)

Any public notice of a waiting list opening will clearly state which approach the SPHA will use to place pre-applicants on the waiting list.

The waiting list will close if SPHA determines that the existing waiting list contains an adequate pool for use of available program funding, whereupon SPHA may stop accepting new applications. The SPHA will ask the applicant to complete a pre-application form. This form requires that the family list all income, assets, family composition, etc., necessary to determine eligibility, as well as additional information such as phone numbers where the family can be reached, anticipated changes in income, assets, or family composition and past participation under the programs. The pre-application is signed and dated by the family.

The family will determine which family member will be listed as Head of Household. Once the Head of Household is determined, changes will not be made for the sole purpose of gaining additional program benefits.

The applicant may be required to submit information provided by the St. Petersburg Sheriff's Office relating to any criminal history.

SPHA will review the family's application for completeness, check for discrepancies or inconsistencies, and be certain all family income and asset information is correct. The housing authority will determine whether the family is entitled to any elderly, dependent or disability deductions or considerations.

Each applicant will be evaluated to assess the conduct of the applicant or other family members listed on the application, in present or previous housing. SPHA will conduct local and/or national police checks on household members to the extent allowed by Florida State Law. Additional screening on credit, eviction search and checks of previous debt to SPHA or any other previous landlord will also be conducted. National Crime Information Center (NCIC) check will be conducted on any applicant or household member, prior to application as described in HUD PIH Notice 201228.

All household members 18 years and older and emancipated adults must complete the consent form and authorize the NCIC, utility verification, credit check and eviction search for your application. Failure to do so will result in denial of housing assistance.

Applications will be accepted with a federal or state issued, non-expired picture identification card and a social security card. In lieu of the social security card, other official documentation of the social security number will be accepted. This includes, but is not limited to: DD214, W-2 form, tax statements, payroll stubs (not hand-written), Medicaid card, and other insurance documents.

The housing authority will do a quick assessment of an applicant's potential eligibility based on the information on the application.

If the family is obviously ineligible at the pre-application stage (prior to the formal verification process), the family will be informed and the reasons explained. Obvious reasons for ineligibility may be income that exceeds the applicable income limits, etc. The housing authority will notify the family in writing and give them an opportunity to request an informal review.

An informal review may be requested for the following decisions denying:

- Acceptance of application for waiting list
- Issuance of certificate or voucher
- Participation in any program

Families must submit their request for an informal review in writing to the Housing Authority within ten (10) business days from the date of notification of the determination. If the informal review results in overturning the denial of assistance, the applicant's name will be placed on the waiting list at the original date and time of application or the randomization date and time before the denial.

The appeals for denial of assistance (informal review) shall be conducted by the Housing Choice Voucher Officer or his/her designee.

Families are responsible for informing the housing authority of changes in family circumstances (including income) and are responsible for responding to requests from the housing authority to update the application. Failure or refusal to provide information may result in the applicant's name being removed from the waiting list. All changes in family circumstances will be in written form.

Once determined eligible, applicants are placed on SPHA's waitlist according to the selected approach advertised in the waitlist opening, either by (1) date and time of application or (2) A drawing or other random choice technique, and local preference.

Applications for project-based programs will be broken down by bedroom size.

B. Applicants with Debts

Applicants must satisfy in full any overdue accounts or debts owed to the St. Petersburg Housing Authority (SPHA) resulting from previous tenancy under any program administered by the SPHA. In addition, the applicant must satisfy any outstanding debts owed to any other subsidized program as reported to SPHA or HUD's Enterprise Income Verification (EIV) system or other database.

If a debt is owed to SPHA, the application will be accepted and then the applicant will be notified of the outstanding debt. The applicant will be given fourteen (14) business days from the notification date to pay the debt in full (or if a repayment agreement is in effect, make it current).

If the debt is paid in full by the due date or the repayment agreement amount due has been made current, the application will remain active. If the debt or repayment agreement amount due has not been paid by the due date, the application will be withdrawn. Applicants withdrawn will be determined ineligible and will be notified in writing. Applicants are given ten (10) business days from the date on the ineligibility letter to request an informal review. The informal review request must be done in writing and must be received by the applications office within ten (10) business days of the ineligibility letter date.

If an applicant or previous tenant is accepted and then, it is later discovered that there is an outstanding debt to SPHA, the applicant or previous tenant will be required to enter into a repayment agreement. If the applicant or previous tenant does not repay the full amount within a twelve (12) month period, their current assistance will be terminated at their annual recertification. At that time, the resident will be notified in writing and will be given the opportunity to request a grievance hearing. The request must be done in writing and must be received by the management office within ten (10) business days of the notification letter date.

C. Statement of Intake for Persons with Disabilities

See section in this Plan on reasonable accommodations.

D. Initial Determination of Family Eligibility

The following criteria determine program eligibility:

A family is eligible when classified as a Very Low-Income Family, Extremely Low Income Family, or Low Income Family as determined by income limits established by U.S. HUD for the Tampa/St. Petersburg Metropolitan Statistical Area, using thirty percent (30%) of median income for Extremely Low, fifty percent (50%) of the area median income for Very Low Income, and eighty (80%) percent of the area median income for the Low Income.

1. Applicants who fall into one of the following categories relating to criminal activity will be declared ineligible if:
 - a. Any felony conviction(s) during a five (5) year period prior to the date of application.
 - b. Two (2) or more misdemeanor convictions, where the convictions were first or second degree misdemeanors, which involved crimes of physical violence to persons or property, or criminal acts which adversely affected the health, safety or welfare of other persons, during a five (5) year period prior to date of application.
 - c. Any household member who has ever been convicted of drug-related criminal activity for methamphetamine production on the premises of federally assisted housing is permanently barred from housing assistance. If any household member has been convicted of drug related criminal activity for methamphetamine production anywhere other than federally assisted housing, they will be denied assistance for ten (10) years from the incarceration release date.

- d. Any household member who is subject to a lifetime registration requirement under any state or national sex offender registration program is denied participation in any housing assistance program. If any household member is subject to a less than lifetime registration requirement under any state or national sex offender registration program they will be denied assistance for ten (10) years from the date of conviction.
- e. Applicants who have been evicted from Public Housing or other assisted housing within five (5) years of the date of eviction.
- f. Any member of the household is an alcohol abuser, whom the SPHA has reasonable cause to believe that they may threaten the health, safety, or right of peaceful enjoyment by other residents.
- g. If incarcerated during a portion of the five (5) year period prior to the application date, the applicant or other family member must be released two (2) years prior to application.
- h. Any applicant who has been incarcerated after being convicted for first or second degree murder must wait seven (7) years after release to place an application, and furthermore, must not have any additional arrests for criminal offense of any nature after being released from such incarceration.

If applicants have been deemed ineligible due to criminal activity, it is assumed that admitting them would adversely affect the health and safety of other residents. 24 CFR 5.903 (f) If the SPHA obtains criminal record information from a state or local agency under this section showing that a household member has been convicted of a crime relevant to applicant screening, the SPHA must notify the household of the proposed action to be taken based on the information and must provide the subject of the record and the applicant or tenant a copy of such information, and an opportunity to dispute the accuracy and relevance of the information. This opportunity must be provided before a denial of admission on the basis of such information. The burden of overcoming this decision shall be upon the applicant. Consideration will be given to: (a) favorable changes in the behavior pattern of the applicant, which shall include the work history, stability of their living conditions, completion or involvement in certified education or rehabilitation programs and (b) extenuating circumstances that indicate the applicant could be a responsible resident.

Appeals for denial of assistance shall be reviewed by the Hearing Officer.

Except as provided here, SPHA will utilize the verification procedures in Chapter 7 of this Administrative Plan.

E. PIH Notice 2018-18

Prior to admission the SPHA must:

- a. Conduct a former tenant search for all adult family members 18 years of age or older.
- b. Conduct an existing tenant search for all household members.

Security Measures: The integrity and availability of the information is extremely important to protect funding and the privacy of the participants. The information is protected from unauthorized use and disclosure.

F. Grounds for Denial of Admission

In accordance with regulations, the housing authority is not required to assist families who:

1. Currently owe rent or other amounts to the housing authority or any other housing authority;
2. Were previous participants in any SPHA subsidized housing program and left owing the housing authority money for claims paid for unpaid rent, damages or vacancy loss and have a current outstanding debt;
3. Breached an agreement to repay monies owed the housing authority and still owe money;
4. Previously violated the family's obligations listed in the regulations, briefing packet or other acknowledgements of responsibility during the five (5) years prior to the application;
5. Committed fraud in connection with any federal housing assistance program during the five (5) years prior to the application;
6. Has engaged in drug-related criminal activity or violent criminal activity as defined HUD. A person must have been convicted of the charge in order to be denied or have assistance terminated;
7. Have any household member who has ever been convicted of drug-related criminal activity for methamphetamine production on the premises of federally assisted housing is permanently barred from housing assistance. If any household member has been convicted of drug-related criminal activity for methamphetamine production anywhere other than federally assisted housing, they will be denied assistance for ten (10) years from the incarceration release date;
8. Have any household member who is subject to a lifetime registration requirement under any state or national sex offender registration program is denied participation in any housing assistance program. If any household member is subject to a less than lifetime registration requirement under any state or national sex offender registration program they will be denied assistance for ten (10) years from the date of conviction.
9. Have been evicted from any federally assisted housing in the last five (5) years from the date of eviction;
10. Have threatened or used abusive language towards housing authority personnel;
11. Fail to disclose additional information that affects their eligibility, or increases subsidy;
12. Fail to respond or complete requested forms within time given;
13. Fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as specified in the Student Rule 24 CFR 5.612.

Chapter 4

ESTABLISHING PREFERENCES AND MAINTAINING THE WAITING LIST

[24 CFR Part 5, Subpart D; 982.54; 282.204, 982.205, 982.206]

A. Waiting List

How Applicants are Selected

The SPHA may only admit an applicant for participation as a “Waiting List Admission” or a “Special Admission.”

1. “Waiting List Admission”

- Except for special admissions, participants must be selected as a waiting list admission.
- Applicants are selected by the original date and time of application or by the randomization selection number assigned by the lottery.
- Local Preferences selections shall be made by date and time of application of families on the list with the same preference status.

2. “Special Admission”

A. Certain families are issued vouchers or project-based voucher units, outside the context of the waiting list. These families:

- i. are being relocated from SPHA’s public housing properties or Low Income Housing Tax Credit properties in which SPHA is participating that are being demolished, undergoing substantial capital improvements, modernization, or rehabilitation or change in use, or who are being relocated pursuant to agreements already in place between SPHA and the tax credit property ownership entity; or because a unit that is the right size for their family is unavailable; or
- ii. have lost assisted housing or are about to lose assisted housing because a private owner receiving project-based Section 8 Housing Choice Voucher assistance opts out of, chooses not to renew the HAP contract or fails quality inspections, requiring that their HAP contract be cancelled, or reduce the number of units; or
- iii. are receiving assistance in a Section 8 Housing Choice Voucher SRO program and the owner of the program fails inspections, intends to opt out, not renew, or reduce the program size.

B. A family qualifies for one of these vouchers when they receive notice that they will have to move for one of the reasons cited above.

C. Eligible families will be issued vouchers in an order based on date on which they receive notice to move.

D. Generally, SPHA will receive replacement housing vouchers to assist these families, but if the process of obtaining these vouchers is delayed, the families will be issued vouchers to prevent their becoming homeless.

B. Local Preferences (CFR 982.202 (d) & 982.207)

Applicants will be selected from the Waiting List based on a preferences point system in as approved by the Board and then by date and time of application or Lottery:

Current Local Preferences

1. Disabled or Elderly = One (1). Point. Persons of families where the head of household, spouse or co-head is elderly or disabled. Proof of preference will be required at the time of selection.
2. Veterans = One (1) Point. A person who served in the active military service and who was discharged or released under conditions other than dishonorable. Military Reserve members also qualify if currently serving honorably or discharged under conditions other than dishonorable. If the veteran dies before being admitted to the program, then the spouse of the veteran shall maintain their place and preference on the waiting list. Status is to be verified by:
 - a. A DD 214 (Certificate of Release or Discharge from Active Duty) will serve as proof of service for those no longer active or reserve duty; or
 - b. A current enlistment contract and/or unexpired military identification card will serve as appropriate proof of veteran status for those still in active reserve status or current enlistment.
3. Homeless families = One (1) Point: Applicant family is currently residing in Emergency Shelter, Transitional Shelter, Permanent Supportive Housing or participating in homeless services at/in/through a participating Pinellas County Continuum of Care agency and have received a written letter of recommendation from that agency not less than 30 days ago.
4. Resident of Pinellas County Florida = Ten (10) points. A person or family that live, work or who have been hired to work within SPHA's jurisdiction, or county it is located in. Proof of preference will be required at the time of selection.
5. Mainstream Voucher Program = Five (5)Points:
 - a. A family composed of one or more non-elderly persons with disabilities, which may include additional members who are not elderly persons with disabilities.
 - b. Currently experiencing homelessness.
 - c. Currently a client in a permanent supportive/rapid rehousing project.
6. Displacement preference = Ten (10) Points. A person or family displaced is defined as one whose dwelling is condemned by governmental action (federal, state or local), or a person

whose dwelling has been extensively damaged or destroyed as a result of a declared disaster or otherwise formally recognized under federal disaster relief laws.

7. Preference for victims of Domestic Violence = One (1) point. Applicants who are victims of domestic violence will receive a preference. In order to qualify for a preference on the waitlist for Domestic Violence, applicants should provide documentation that incidents of domestic violence have occurred within the past year.

Status is to be verified by:

- a. Referral from domestic violence shelter (e.g., Hubbard House)
- b. Confidentiality of applicant status shall be maintained by the agency in accordance with the provisions of the Violence Against Women Act of 1994.

Priority Local Preference – Special Programs and Other Referrals

Certain families may be assisted without being placed on the SPHA’s waiting list.

Foster Youth to Independence

Through the Foster Youth to Independence (FYI) initiative, HUD will provide vouchers for youth eligible under the Family Unification Program (FUP), subject to availability and as described in PIH Notice 2020-28.

This is a targeted allocation; HUD is investing in local cross-system collaborative efforts to prevent and end homelessness among youth with a current or prior history of child welfare involvement.

As a requirement of these FYI vouchers, SPHA is required to enter into partnership agreements with the local supportive service agency and public child welfare agencies (PCWAs) to provide the necessary referrals and required supportive services. SPHA will enter partnership agreements with the local agencies and PCWAs to obtain these vouchers. The FYI vouchers are issued on a rolling basis with a maximum allowable allocation of 25 vouchers for the fiscal year, with the ability to request additional vouchers with 90 percent or greater utilization. These vouchers “sunset” when the youth leaves the program and has a maximum lifetime of 36-months.

These vouchers are issued by HUD on a rolling basis and funding is targeted to youth that meet certain eligibility criteria. Youth eligibility is defined as follows:

1. Has attained at least 18 years and not more than 24 years of age;
2. Left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act; and
3. Is homeless or is at risk of becoming homeless at age 16 or older.

Should a youth fail to use the voucher, SPHA will request a new referral from our partners, and will seek to issue the voucher to another eligible youth if one has been identified.

SPHA may admit an eligible youth for a FYI voucher who is not on the SPHA wait list or without considering the family's waiting list position. Per PIH Notice, 2020-28, if the PCWA refers an eligible youth to SPHA that is currently homeless, or will become homeless before the award of the FYI vouchers is completed, SPHA may use administrative fee reserves to expedite lease up for that youth.

Emergency Housing Vouchers

Emergency Housing Vouchers (EHV) are specifically designed for households who are:

- Homeless;
- At Risk of Homelessness;
- Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking;
- Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

Detailed information on household eligibility can be found in PIH Notice 2021-15.

This is a targeted allocation and directs the vouchers to the jurisdictions of greatest need. HUD is investing in local cross-system collaborative efforts to prevent and end homelessness.

As a requirement of these EHV vouchers, SPHA is required to enter into partnership agreements through the MOU for the EHV program, with the local supportive service agency to provide the necessary referrals and required supportive services. The EHV vouchers are issued on a rolling basis with a maximum allowable allocation of 79 vouchers. The SPHA will not be allowed to re-issue EHV vouchers after September 30, 2023 but can issue vouchers never leased.

All applicable preferences shall be made part of the public notice, and/or notices sent to applicants.

C. Maintaining the Waiting List

After the preliminary eligibility determination has been made, applicants are placed on the waiting list in order of original date and time of application or the randomization date and time, and local preference. The housing authority will maintain an accurate waiting list, which conforms to HUD requirements.

D. Updating the Waiting List

The housing authority may at least once a year update the waiting list to ensure that it is current and accurate.

HUD rules do not describe specific procedures to purge a waiting list. However, a purge begins with a standardized email or mailing to waiting list applicants, requiring a verification of continued interests. The housing authority will mail a letter to the applicant's last known address, requesting information regarding their continued interest in maintaining a place on the waiting list.

If the applicant does not notify the housing authority of a move as required, the housing authority will not be responsible for the applicant's failure to receive the updated request.

A copy of the request in the file will indicate a reasonable assumption the letter was mailed. The request letter will include a deadline date by which applicants must contact the housing authority of their continued interest, by mail or in person. If the housing authority fails to receive the applicant notice by the deadline date, the applicant's name will be removed from the waiting list.

Applicants will be given seven (7) days to respond to the request letter. The housing authority does not accept responsibility for mail or email delays.

The housing authority will attempt to locate families who indicated a disability on their application, by utilizing the returned forwarding address provided by the post office, if any, before removing the family from the waiting list.

If an applicant with a disability has failed to respond to a selection letter for reasons relating to their disability, they may be reinstated and returned to the waiting list with their original date and time of application. This contact and request must be made within sixty (60) days of the selection.

“Good Cause Refusal” When an Applicant is Selected from the Waiting List

An applicant selected from the wait list may refuse to accept the selection for “good cause” once during the applicant’s the time the applicant is on the wait list. *Good cause* includes situations in which an applicant is willing to move but is unable to do so at the time of the selection, or the applicant demonstrates that acceptance of the selection would cause undue hardship not related to considerations of the applicant’s race, color, national origin, etc. Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

The family demonstrates to SPHA’s satisfaction that accepting the selection will require an adult household member to quit a job, drop out of an educational institution or job training program, or take a child out of day care or an educational program for children with disabilities.

The family demonstrates to SPHA’s satisfaction that accepting the selection will place a family member’s life, health, or safety in jeopardy. The family should offer specific and compelling documentation such as restraining orders, other court orders, risk assessments related to witness protection from a law enforcement agency, or documentation of domestic violence, dating violence, or stalking. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.

A health professional verifies temporary hospitalization or recovery from illness of the principal household member, other household members (as listed on final application) or live-in aide necessary to the care of the principal household member.

The unit has lead-based paint and the family includes children under the age of six.

In the case of selection refusal for good cause the applicant will not be removed from the waiting list but placed at the bottom of the preferenced or non-preferenced list depending on their application status. The applicant will not be given the opportunity to be selected for a minimum of six (6) months

E. Removal of Names from Waiting List

The following reasons are cause for the family name to be removed from the waiting list:

- No response to purge letter
- Family is housed after selection
- No-show for eligibility or briefing appointments (two opportunities are given)
- No-show for SRO appointment without rescheduling
- Missed deadline for returning eligibility documentation
- Under age eighteen (18), not emancipated
- Preponderance of evidence indicates drug or criminal activity in household
- Voucher expired
- Certification for PBC, Mod Rehab or SRO expired Failure to move into unit after inspection
- Voluntary withdrawal from program(s)
- Lifetime registered sex offender
- Fraud

- Violation of Family Obligations
- Over Income limits

All applicants removed from the waiting list shall be issued a letter indicating the reason for their removal and given the opportunity to request an informal review.

F. Selection from Waiting List

In order to accommodate the need for eligible families to maintain lease-up, selections are made by taking names from the list and handling by groups. Therefore, someone who applied after another person, but who quickly returns all necessary paperwork to determine eligibility, may be briefed and issued a voucher before someone else in that selections block whose application date is earlier.

Selections for tenant based programs will be based on the original date and time of completed applications or the randomization date and time, and local preference. The housing authority will maintain a quarterly report to determine that at least seventy-five percent (75%) of new admissions to tenant based programs will have incomes at or below thirty percent (30%) of the area median income.

If it appears that the percentage will fall below seventy-five percent (75%), families whose incomes are below thirty percent (30%) of the area median income will be given a preference for the selections necessary to reach this requirement.

Selections for project based programs will be based on bedroom size and date and time of completed application.

G. Applicants who Must Reapply

Applicants who reapply to be placed back on the waiting list will be positioned on the waiting list as of the original date and time they reapply or by the randomization selection number assigned by the lottery.

- If the family declines the offer of a voucher, the family will not be eligible to be returned to the waiting list. The family must reapply to the waiting list.
- A family whose application is denied for failure to provide information must reapply to be placed back on the waiting list.
- A family found ineligible for assistance must reapply to be placed back on the waiting list. Applicants found ineligible for assistance because they exceed the current HUD published Section 8 income limits must reapply to be placed back on the waiting list.

H. Applicants Reinstated at Original or Randomization Date and Time of Application

Applicants removed from the waiting list will be given the benefit of the doubt if there is a reasonable possibility they were removed from the waiting list through no fault of their own.

These applicants may be reinstated on the waiting list if there is a reasonable possibility they were not notified, such as in the case of only one notice being issued or that they had reported an address change that was not entered in the system through no fault of their own.

If mail is returned, in order to be reinstated, applicants must request reinstatement and verify proof of address during application process.

Chapter 5

SUBSIDY STANDARDS

[24 CFR 982.54(d) (9)]

INTRODUCTION

HUD guidelines require that PHA's establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards. This Chapter explains the subsidy standards which will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list, as well as SPHA's procedures when a family's size changes or a family selects a unit size that is different from the Voucher.

A. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]

The SPHA does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the Voucher. The SPHA's subsidy standards for determining voucher size shall be applied in a manner consistent with Fair Housing guidelines.

For subsidy standards, an adult is a person 18 years old or older.

All standards in this section relate to the number of bedrooms on the Voucher, not the family's actual living arrangements.

The unit size on the Voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented.

Generally, the SPHA assigns one bedroom to two people within the following guidelines:

- Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under age 5).
- Children under the age of five (5) may share a bedroom with a parent, sibling or other household member.
- Foster children will be included in determining unit size only if they will be in the unit for more than three (3) months.
- Live-in attendants will generally be provided a separate bedroom. No additional bedrooms are provided for the attendant's family.
- Space may be provided for a child who is away at school but who lives with the family during school recesses.

- Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military.
- Adults of different generations will have separate bedrooms.
- Single person families shall be allocated one (1) bedroom.
- A single pregnant woman with no other family members must be treated as a two-person family.

GUIDELINES FOR DETERMINING VOUCHER SIZE

Voucher Size	Persons in Household	
	Minimum Number	Maximum Number
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	6	10
6 Bedrooms	8	12

B. EXCEPTIONS TO SUBSIDY STANDARDS [24 CFR 982.403(a) & (b)]

The SPHA shall grant exceptions from the subsidy standards if the family requests and the SPHA determines the exceptions are justified by the relationship, age, sex, health or disability of family members, or other individual circumstances.

The SPHA will grant an exception upon request as an accommodation for persons with disabilities. Circumstances may dictate a larger size than the subsidy standards permit when persons cannot share a bedroom because of a need, such as a:

- Verified medical or health reason; or
- Elderly persons or persons with disabilities who may require a live-in attendant.

Request for Exceptions to Subsidy Standards

The family may request a larger sized voucher than indicated by the SPHA's subsidy standards. Such request must be made in writing within ten (10) days of the SPHA's determination of bedroom size. The request must explain the need or justification for a larger bedroom. Documentation verifying the need or justification will be required as appropriate.

The SPHA will not issue a larger voucher due to additions of family members other than by birth, adoption, marriage, or court-awarded custody.

Requests based on health related reasons must be verified by a medical professional.

SPHA Error

If the SPHA errs in the bedroom size designation, the family will be issued a Voucher of the appropriate size so the family will not be penalized.

Changes for Applicants

The voucher size is determined prior to the briefing by comparing the family composition to the SPHA subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the SPHA subsidy standards, the above-referenced guidelines will apply.

Changes for Participants

The members of the family residing in the unit must be approved by the SPHA. The family must obtain prior approval from the SPHA **and** the property owner/manager of any additional family member before the new member occupies the unit (*Resolution #2248*). Only family members that meet the criterion set forth in this plan (*Chapter 2, B.*) shall be approved for an addition to the family composition. Additions to the family by birth, adoption, or court-awarded custody, must be reported to the SPHA within ten (10) days.

Underhoused Families

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the SPHA will issue a new voucher of the appropriate size.

The SPHA will also notify the family of the circumstances under which an exception will be granted, such as:

- If a family with a disability is underhoused in an accessible unit.

- If a family requires the additional bedroom because of a health problem which has been verified by the SPHA.
- The SPHA and family have been unable to locate a unit within sixty (60) days.

C. UNIT SIZE SELECTED [24 CFR 982.402(c)]

The family may select a different size dwelling unit than that listed on the Voucher. There are three criteria to consider:

Rent Limitation: The SPHA uses the Payment Standard for the voucher size or the unit size selected by the family, whichever is less.

In instances where the voucher size differs from the unit size, the utility allowance used to calculate the gross rent will be based on the bedroom size of the lesser of the unit size and voucher size.

Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in

the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

***HQS GUIDELINES FOR UNIT SIZE SELECTED**

Unit Size	Maximum Number in Household
0 Bedroom	1
1 Bedroom	4
2 Bedrooms	6
3 Bedrooms	8
4 Bedrooms	10
5 Bedrooms	12
6 Bedrooms	14

Chapter 6

FACTORS RELATED TO TOTAL TENANT PAYMENT AND FAMILY SHARE DETERMINATION

[24 CFR Part 5, Subparts E and F; 982.153, 982.551]

INTRODUCTION

The SPHA will use the methods as set forth in this Administrative Plan to verify and determine that family income at admission and at annual reexamination is correct. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the Regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual

Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). Income and TTP are calculated in accordance with 24 CFR Part 5, Subparts E and F, and further instructions set forth in HUD Notices and Memoranda. The formula for the calculation of TTP is specific and not subject to interpretation. The SPHA's policies in this Chapter address those areas which allow the SPHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

A. INCOME AND ALLOWANCES [24 CFR 5.609]

Income: Includes all monetary amounts which are received on behalf of the family. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income which is not specifically excluded in the regulations is counted.

Annual Income is defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or recertification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income which has been excluded by HUD. Annual income is used to determine whether or not applicants are within the applicable income limits.

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 are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or

profession is included in income, except when the withdrawal is a 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 are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is 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 includes 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 amounts 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. (However, deferred periodic amounts from supplemental security income, social security benefits and veteran benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)
- e. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay. (However, lump sum additions such as insurance payments from worker's compensation are excluded.)
- f. Periodic and determinable allowances, such as alimony, child support payments, and contributions or gifts received from organizations or from persons not residing in the dwelling.
- g. All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.)
- h. Financial aid exceeding amounts received for tuition for students under the age of 23.
- i. Any contribution or gift received every **two** months or more frequently will be considered a "regular" contribution or gift. This includes rent and utility payments made on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts.
- j. Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment. If the amount of child support or alimony received is less than the amount awarded by the court, the SPHA will use the amount awarded by the court unless the family can verify that they are not receiving the full amount and verification of item(s) below are provided. The SPHA will accept verification that the family is receiving an amount less than the award if SPHA receives verification from the agency responsible for enforcement or collection.

Annual income does NOT include the following:

- a. Income from employment of children (including foster children) under the age of 18 years.
- b. Income from employment of full-time students 18 years or older (excluding the head of household, spouse or co-head) in excess of \$480. A full-time student is one carrying a full time subject load as defined by the institution at an institution with a degree or certificate program.
- c. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).
- d. Lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses.
- e. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
- f. Income of a live-in aide.
- g. The full amount of student financial assistance paid directly to the student or to the educational institution for students over the age of 23 with dependent children.
- h. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- i. The amounts received from the following programs:
 - 1. Amounts received under training programs funded by HUD.
 - 2. 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).
 - 3. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program.
 - 4. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Housing Authority or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to,

fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No resident may receive more than one such stipend during the same period of time.

5. 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.
6. Temporary, non-recurring or sporadic income (including gifts). Sporadic income is defined as income that is neither reliable nor periodic.
7. 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.
8. Adoption assistance payments in excess of \$480 per child.
9. For family members who enrolled in certain training programs prior to October 1, 1999, the earnings and benefits resulting from the participation if the program provides employment training and supportive services in accordance with the Family Support Act of 1988, Section 22 of the 1937 Act (42 U.S.C. 1427t), or any comparable Federal, State, or Local law during the exclusion period. For purposes of this exclusion the following definitions apply:
 - I. Comparable Federal, State or Local law means a program providing employment training and supportive services that:
 - i. Is authorized by a Federal, State or Local law;
 - ii. Is funded by the Federal, State or Local government;
 - iii. Is operated or administered by a public agency; and
 - iv. Has as its objective to assist participants in acquiring employment skills.
 - II. Earnings and benefits mean the incremental earnings and benefits resulting from a qualifying employment training program or subsequent job.
10. For persons with disabilities, the incremental earnings due to employment during a cumulative 12-month period following date of the initial hire shall be excluded (called the Earned Income Disallowance). This exclusion is only available to the following families:
 - I. Families whose income increases as a result of employment of a disabled family member who was previously unemployed (defined as

working less than ten (10) hours a week for 50 weeks at the established minimum wage) for one (1) or more years.

- II. Families whose income increases during the participation of a disabled family member in any economic self-sufficiency or other job training program.
- III. Persons with disabilities who are or were, within six months, assisted under a State TANF or Welfare-to-Work program for at least \$500.

During the second cumulative 12-month period after the date of initial hire, 50% of the increased income shall be excluded from income.

The disallowance of increased income of an individual family member is limited to a lifetime 48- month period. It only applies for twelve (12) months of the 100% exclusion and 12 months of the 50% exclusion.

- 11. Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts.
- 12. 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.
- 13. 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.
- 14. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits. These exclusions include:
 - a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 [7 U.S.C. 2017(b)];
 - b. Payments to Volunteers under the domestic Volunteer Services Act of 1973 (42 U.S.C.5044(g), 5058);
 - c. Payments received under the Alaska Native Claims Settlement Act [43 U.S.C.1626(c)];
 - d. Income derived from certain sub marginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
 - e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program [42 U.S.C. 8624(f)];

- f. Payments received under programs funded in whole or in part under the Job Training Partnership Act [29 U.S.C. 1552(b)]; effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931);
- g. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94–540, 90 Stat. 2503–04);
- h. The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407–1408);
- i. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under Federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu);
- j. Payments received from programs funded under Title V of the Older Americans Act of 1985 [42 U.S.C. 3056(f)];
- k. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent-product liability litigation*, M.D.L. No. 381 (E.D.N.Y.);
- l. Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
- m. 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 U.S.C. 9858q);
- n. Earned income tax credit (EITC) refund payments received on or after January 1, 1991 [26 U.S.C. 32(j)];
- o. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95–433);
- p. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 [42 U.S.C. 12637(d)];
- q. Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805);

- r. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602); and
- s. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931).
- t. Income payments from the U. S. Census Bureau defined as employment lasting no longer than 180 days and not culminating in permanent employment as an income exclusion.

B. ADJUSTED INCOME [24 CFR5-611]

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

HUD has five allowable deductions from Annual Income:

- *Dependent allowance*: \$480 each for family members who are minors (other than the head or spouse or co-head) and for family members who are 18 years or older and full-time students or disabled. Foster children are not considered dependents.
- *Elderly/disabled allowance*: \$400 per family whose head or spouse is 62 or older or disabled.

Allowable medical expenses: [24 CFR 5.609, 5.603]: Anticipated out-of-pocket medical expenses inclusive of transportation for medical treatments which exceed three percent (3%) of annual income for the family shall be deducted if the head, spouse or co-head of household is 62 or older, or disabled.

- *Medical Expenses [24CFR 5.609, 5.603]*: Non-prescription medicines, supplies, apparatus must be doctor-recommended (written verification required) in order to be considered an out- of-pocket medical expense. The family is required to furnish legible receipts.

If the household is eligible for a medical expense deduction, the medical expenses of all family members **may be** counted (e.g., the orthodontist expenses for a child's braces may be deducted if the household is an elderly or disabled household).

- *Reasonable Child Care Expenses*: Expenses for the care of children under 13 are deducted when child care is necessary to allow an **adult** member to work, attend school, or actively seek employment.

Amounts anticipated to be paid by the family for the care of children under 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 actively seek employment, 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. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

- *Allowable Disability Assistance Expenses:* Expenses for care attendance or auxiliary apparatus which exceed 3% of annual income may be deducted when the expenses enable the individual or an **adult** family member to work.

- If 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 generally equal to the total of these expenses, less three percent (3%) of annual income is calculated using the HUD formula included on the form 50058.

C. LUMP-SUM RECEIPTS [24 CFR 5.609]

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

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

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

Attorney Fees

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

D. CONTRIBUTIONS TO RETIREMENT FUNDS - ASSETS [24 CFR 5.603(d)]

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

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

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

E. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE

[24 CFR 5.603(d)(3)]

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

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

The SPHA's minimum threshold for counting assets disposed of for less than Fair Market value is \$2,500.00. If the total value of assets disposed of within a one-year period is less than \$2,500.00, they will not be considered an asset.

F. MINIMUM RENT [24 CFR 5.616]

Minimum Rent

"Minimum rent" is \$50.00. Minimum rent refers to the Minimum Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities when it is applied.

Hardship Requests for an Exception to Minimum Rent

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

Criteria for Hardship Exception

In order for a family to qualify for a hardship exception the family's circumstances must fall under one of the following HUD hardship criteria:

1. The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local assistance, including a family with a member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act, and who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996;
2. The family would be evicted as a result of the imposition of the minimum rent requirement;

3. The income of the family has decreased because of changed circumstances, including loss of employment, death in the immediate family, or other circumstances as determined by the SPHA or HUD.

SPHA Notification to Families of Right to Hardship Exception

The SPHA will notify all families subject to minimum rents of their right to request a minimum rent hardship exception.

The SPHA staff will document in the family's file that they have been notified of their right, if applicable, to request a minimum rent hardship exception.

The SPHA notification will advise families that hardship exception determinations are subject to SPHA review and hearing procedures.

The SPHA will review all family requests for exception from the minimum rent due to financial hardships.

All requests for minimum rent hardship exceptions are required to be in writing. Requests must include a statement of the family hardship that qualifies the family for an exception. The SPHA will request documentation as proof of financial hardship.

Suspension of Minimum Rent

The SPHA will grant the minimum rent exception to all families who request it, effective the first of the following month.

The minimum rent will be suspended until the SPHA determines whether the hardship is:

- Covered by statute
- Temporary or long term

"Suspension" means that the SPHA must not use the minimum rent calculation until the SPHA has made this decision.

During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

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

The SPHA will use its standard verification procedures to verify circumstances which have resulted in financial hardship, such as loss of employment, death in the family, etc.

Temporary Hardship

If the SPHA determines that the hardship is temporary, a minimum rent will not be imposed for a period of up to 90 days from the date of the family's request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

The SPHA will offer a repayment agreement to the family for any such rent not paid during the temporary hardship period. (See "Owner and Family Debts to the PHA" chapter for Repayment agreement policy).

Long-Term Duration Hardships [24 CFR 5.616(c)(3)]

If the SPHA determines that there is a qualifying long-term financial hardship, the SPHA must exempt the family from the minimum rent requirements for as long as the hardship continues. The exemption from minimum rent shall apply from the first day of the month following the family's request for exemption.

G. AVERAGING INCOME

When annual income cannot be anticipated for a full twelve months, the SPHA may:

- Average known sources of income that vary to compute an annual income, or
- Annualize current income and conduct an interim reexamination if income changes.

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

If, by averaging, an estimate can be made for those families whose income fluctuates from month to month, this estimate will be used so as to reduce the number of interim adjustments. The method used depends on the regularity, source and type of income.

H. MINIMUM INCOME

There is no minimum income requirement. Families who report zero income are required to undergo an interim recertification every 30 days, which may include a credit check.

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

If the family's expenses exceed their known income, the SPHA will make inquiry of the head of household as to the nature of the family's accessible resources.

I. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME
[24 CFR 982.54(d)(10)]

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

1. Exclude the income of the person permanently confined to the nursing home and give the family no deductions for medical expenses of the confined family member; or
2. Include the income of the person permanently confined to the nursing home and give the family the medical deductions allowable on behalf of the person in the nursing home.

J. PRORATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.520]

Applicability

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

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. Calculations for each housing program are performed on the HUD 50058 form.

K. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The SPHA will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

- Fraud by a family member in connection with the welfare program; or
- Failure to participate in an economic self-sufficiency program; or
- Noncompliance with a work activities requirement

However, the SPHA will reduce the rental contribution if the welfare assistance reduction is a result of:

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

requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

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

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

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

The SPHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements *before* denying the family's request for rent reduction.

L. UTILITY ALLOWANCE AND UTILITY REIMBURSEMENT PAYMENTS
[24 CFR 982.153, 982.517]

SPHA will maintain an up-to-date utility allowance schedule and 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 at a participant family's next re-examination. The utility allowance used to calculate the gross rent will be based on the bedroom size of the lesser of the unit size and voucher size.

Where the utility allowance exceeds the family's TTP, SPHA will provide a utility reimbursement payment for the family each month. The check will generally be made out to the tenant and the electric company; however, SPHA reserves the right to make utility reimbursement payments directly to a utility provider.

M. DEFINITION OF TEMPORARILY/PERMANENTLY ABSENT

The SPHA must compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, the SPHA must count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

It is the responsibility of the head of household to report changes in family composition within 10 days in writing. The SPHA will evaluate absences from the unit using this policy.

Absence of Entire Family

"Absence" means that no family member is residing in the unit.

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, the SPHA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify the SPHA before they move out of a unit and to give the SPHA information about any family absence from the unit.

Families must notify the SPHA within 10 days if they are going to be absent from the unit for more than 60 consecutive days.

If the entire family is absent from the assisted unit for more than 60 consecutive days, the unit will be considered to be vacated and the assistance will be terminated.

If it is determined that the family is absent from the unit, the SPHA will not continue assistance payments.

SPHA will terminate assistance if the entire family is absent from the unit for a period of more than 60 consecutive calendar days.

In order to determine if the family is absent from the unit, the SPHA may:

- Write letters to the family at the unit
- Telephone the family at the unit
- Interview neighbors
- Verify if utilities are in service
- Check with the post office
- Verify if utilities are in service

A person with a disability may request an extension of time as an accommodation, provided that the extension does not go beyond the HUD-allowed 180 consecutive calendar days limit.

If the absence which resulted in termination of assistance was due to a person's disability, and the SPHA can verify that the person was unable to notify the SPHA in accordance with the family's responsibilities, and if funding is available, the SPHA may reinstate the family as an accommodation if requested by the family.

Absence of Any Member

Any member of the household will be considered permanently absent if s/he is away from the unit for **60 days** except as otherwise provided in this Chapter.

Absence due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, the SPHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than **180** consecutive days, the family member will not be considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with the SPHA's "Absence of Entire Family" policy.

Absence Due to Full-time Student Status

Full time students who attend school away from the home and live with the family during school recesses may, at the family's choice, be considered either temporarily or permanently absent from the household.

If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of voucher size.

Absence due to Incarceration

If the sole member is incarcerated for more than **60** consecutive days, s/he will be considered permanently absent, and assistance will be terminated. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for **60 consecutive days**.

The SPHA will determine if the reason for incarceration is for drug-related or violent criminal activity.

Absence of Children due to Placement in Foster Care

If the family includes a child or children temporarily absent from the home due to placement in foster care, the SPHA will determine from the appropriate agency when the child/children will be returned to the home.

If the time period is to be greater than 3 months from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the SPHA's subsidy standards.

Caretaker for Children

If neither parent remains in the household and the appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, the SPHA will treat that adult as a visitor for the first **60** days.

If by the end of that period, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker.

If the appropriate agency cannot confirm the guardianship status of the caretaker, the SPHA will review the status at **60 day** intervals.

If custody or legal guardianship has not been awarded by the court, but the action is in process, the SPHA will secure verification from social services staff or the attorney as to the status.

The caretaker will be allowed to remain in the unit, as a visitor, until a determination of custody is made.

The SPHA will transfer the voucher to the caretaker, in the absence of a court order, if the caretaker has been in the unit for more than 5 months and it is reasonable to expect that custody will be granted.

When the SPHA approves a person to reside in the unit as caretaker for the child/ren, the income should be counted pending a final disposition. The SPHA will work with the appropriate service agencies and the landlord to provide a smooth transition in these cases.

If a member of the household is subject to a court order that restricts him/her from the home for more than 4 months, the person will be considered permanently absent.

Visitors

Any adult not included on the HUD 50058 who has been in the unit more than **15** consecutive days without SPHA approval, or a total of 15 days in a 12-month period, will be considered to be living in the unit as an unauthorized household member.

Absence of evidence of any other address will be considered verification that the visitor is a member of the household.

Statements from neighbors and/or the landlord will be considered in making the determination. Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence.

The burden of proof that the individual is a visitor rests on the family. In the absence of such proof, the individual will be considered an unauthorized member of the household and the SPHA will terminate assistance since prior approval was not requested for the addition.

Minors and college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 90 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 90 days per year, the minor will be considered to be an eligible visitor and not a family member.

Chapter 7

VERIFICATION PROCEDURES

[24 CFR Part 5, Subparts B, D, E and F; 24 CFR 982.158; 24 CFR 5.617]

INTRODUCTION

HUD regulations require that the factors of eligibility and Total Tenant Payment/Family Share be verified by the PHA. PHA staff will obtain written verification from independent sources whenever possible and will document tenant files whenever third party verifications are not possible as to why third party verification was impossible to obtain.

Applicants and program participants must provide true and complete information to the PHA whenever information is requested. The PHA's verification requirements are designed to maintain program integrity. This chapter explains the PHA's procedures and standards for verification of preferences, income, assets, allowable deductions, family status, and changes in family composition. The PHA will obtain proper authorization from the family before requesting information from independent sources.

A. METHODS OF VERIFICATION AND TIME ALLOWED [24 CFR 982.516]

The SPHA will verify information for applicants and participants following HUD's Verification Hierarchy.

1. Up-front Income Verification (HUD's EIV system)

The use of HUD's Enterprise Income Verification System to determine household income.

2. UIV using a non-HUD system

The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals

3. Review of Documents

An original or authentic document generated by a third-party source dated either within the 60-day period preceding the reexamination or PHA request date. Such documentation may be in the possession of the tenant (or applicant) and is commonly referred to as tenant-provided-documents. SPHA may, at its discretion, reject any tenant-provided documents and follow up directly with the source to obtain necessary verification of information.

4. Third-party Written Verification

A standardized form to collect information from a third-party source. The form is completed by the third party by hand. This form is sent directly to the third-party source.

5. Third Party Oral Verification

Independent verification of information by contacting the individual income/expense source(s) as identified through the UIV technique of identified by the family. SPHA staff should document I the tenant file, the date and time of the telephone call, the name of the person contacted and telephone number along with the confirmed information.

6. Self-Certification/Tenant Declaration

If verifications cannot be made using the hierarchy levels 6-2, the family will be required to submit a self-certification. Self-certifications are a notarized statement or affidavit under penalty of perjury.

It is important to note that EIV data will only be used to verify an applicant's or resident's eligibility for participation in a rental assistance program and to determine the level of assistance the resident is entitled to receive and only by properly trained persons whose duties require access to this information. Any other use, unless approved by the HUD Headquarters EIV Security System Administrator, is specifically prohibited and will not occur.

No adverse action can be taken against a resident until the SPHA has independently verified the EIV information and the resident has been granted an opportunity to contest any adverse findings through the established grievance procedure.

Furthermore, the information the SPHA derives from the EIV system will be protected to ensure that it is utilized solely for official purposes and not disclosed in any way that would violate the privacy of the affected individuals.

Once the data has served its purpose, it shall be destroyed by either burning or shredding the data. The SPHA will allow **two (2)** weeks for return of third-party verifications and **two (2)** weeks to obtain other types of verifications before going to the next method. The SPHA will document the file as to why third party written verification was not used.

For applicants, verifications may not be more than 60 days old at the time of Voucher issuance.

For participants, they are valid for 120 days from date of receipt.

B. RELEASE OF INFORMATION [24 CFR 5.230]

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

In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886, Authorization for Release of Information/Privacy Act Notice.

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

Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance because it is a family obligation to supply any information and to sign consent forms requested by the SPHA or HUD.

C. COMPUTER MATCHING

Where allowed by HUD and/or other State or local agencies, computer matching will be done.

When computer matching results in a discrepancy with information in the SPHA records, the SPHA will follow-up with the family and verification sources to resolve this discrepancy. If the family has unreported or underreported income, the SPHA will follow the procedures in the Administrative Plan.

D. ITEMS TO BE VERIFIED [24 CFR 982.516]

All income not specifically excluded by the regulations.

Full-time student status including High School students who are 18 or older.

Current assets including assets disposed of for less than fair market value in preceding two years.

Child care expense where it allows an **adult** family member to be employed, or to actively seek work, or to further his/her education.

Total medical expenses of all family members in households whose head or spouse is elderly or disabled.

Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an **adult** family member to be employed.

U.S. citizenship/eligible immigrant status

Social security numbers for all family members who have been issued a social security number. "Preference" status Familial/Marital status when needed for head or spouse definition. Verification of Reduction in Benefits for Noncompliance:

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

E. VERIFICATION OF INCOME [24 CFR 982.516]

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

Employment Income

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

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

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

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

Acceptable methods of verification include, in this order:

1. Up-front verification (EIV)
2. Award or benefit notification letters prepared and signed by the providing agency.

Unemployment Compensation

Acceptable methods of verification include, in this order:

1. Up-front verification, when available
2. Computer report electronically obtained or in hard copy, from unemployment office stating payment dates and amounts.
3. Payment stubs.

Welfare Payments or General Assistance

Acceptable methods of verification include, in this order:

1. Up-front verification
2. Written statement from payment provider from the client.
3. SPHA verification form completed by payment provider

Alimony or Child Support Payments

Acceptable methods of verification include, in this order:

1. Up-front verification, when available.
2. Third party verification.
3. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.

4. A notarized letter from the person paying the support.
5. Copies of latest 3 check and/or payment stubs from Court Trustee. SPHA must record the date, amount, and number of the check.
6. Family's self-certification of amount received and of the likelihood of support payments being received in the future, or that support payments are not being received.

If payments are irregular, the family must provide one or more of the following:

- A copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules.
- A statement from the agency responsible for enforcing payments to show that the family has filed for enforcement.
- A notarized affidavit from the family indicating the amount(s) received.
- A welfare notice of action showing amounts received by the welfare agency for child support.
- A written statement from an attorney certifying that a collection or enforcement action has been filed.

Net Income from a Business

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

Acceptable methods of verification include:

1. IRS Form 1040, including:
Schedule C (Small Business)

Schedule E (Rental Property Income)

Schedule F (Farm Income)

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

2. Audited or unaudited financial statement(s) of the business.
3. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
4. Family's self-certification as to net income realized from the business during previous years.

Child Care Business

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

If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the SPHA will require that the applicant/participant complete a form for each customer which indicates: name of person(s) whose child (children) is/are being cared for, phone number, number of hours child is being cared for, method of payment (check/cash), amount paid, and signature of person.

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

The SPHA will conduct interim reevaluations every 90 days and require the participant to provide a log with the information about customers and income.

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

Recurring Gifts

The family must furnish a self-certification which contains the following information:

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

Zero Income Status

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

Families at zero income status will be required to report for an interim recertification every 30 days.

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

Full-time Student Status

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

Financial aid, scholarships and grants are not counted towards family income. Verification of full time student status includes:

- Written verification from the registrar's office or other school official.
- School records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

F. INCOME FROM ASSETS [24 CFR 982.516]

Savings Account Interest Income and Dividends Acceptable methods of verification include, in this order:

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

Interest Income from Mortgages or Similar Arrangements

Acceptable methods of verification include, in this order:

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

Net Rental Income from Property Owned by Family

Acceptable methods of verification include, in this order:

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

G. VERIFICATION OF ASSETS

Family Assets

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

Acceptable verification may include any of the following:

- Verification forms, letters, or documents from a financial institution or broker.
- ***Self-declaration of amount of assets of less than \$5,000 and the amount of income expected to be received from the asset (Notice PIH 2014-03 (HA) Temporary Compliance Assistance, expires 3/31/2014 unless extended).***
- Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- Quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate.
- Real estate tax statements if the approximate current market value can be deduced from assessment.
- Financial statements for business assets.
- Copies of closing documents showing the selling price and the distribution of the sales proceeds.
- Appraisals of personal property held as an investment.
- Family's self-certification describing assets or cash held at the family's home or in safe deposit boxes.

Assets Disposed of for Less than Fair Market Value (FMV) During Two Years Preceding Effective Date of Certification or Recertification

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

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

H. VERIFICATION OF ALLOWABLE DEDUCTIONS FROM INCOME

[24 CFR 982.516]

Child Care Expenses

Child care expenses must be determined to be reasonable. The SPHA may use current private market cost as comparison in determining whether the child care expense claimed is reasonable.

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

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

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

Medical Expenses

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

- Written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency.
- Written confirmation by the insurance company or employer of health insurance premiums to be paid by the family.
- Written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months. A computer printout will be accepted.
- For attendant care:
 - o A reliable, knowledgeable professional's certification that the assistance of an attendant is necessary as a medical expense and a projection of the number of hours the care is needed for calculation purposes.
 - o Attendant's written confirmation of hours of care provided and amount and frequency of payments received from the family or agency (or

copies of canceled checks the family used to make those payments) or stubs from the agency providing the services.

- Receipts, canceled checks, or pay stubs that verify medical costs and insurance expenses likely to be incurred in the next 12 months.
- Copies of payment agreements or most recent invoice that verify payments made on outstanding medical bills that will continue over all or part of the next 12 months.
- Receipts or other record of medical expenses incurred during the past 12 months that can be used to anticipate future medical expenses. PHA may use this approach for "general medical expenses" such as non-prescription drugs and regular visits to doctors or dentists, but not for one time, nonrecurring expenses from the previous year.
- The SPHA will use mileage at the **IRS** rate, or cab, bus fare, or other public transportation cost for verification of the cost of transportation directly related to medical treatment.

Assistance to Persons with Disabilities [24 CFR 5.611(c)] In

All Cases:

- Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed.
- Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

Attendant Care:

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

Auxiliary Apparatus:

- Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus.
- In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is necessary for employment.

I. VERIFYING NON-FINANCIAL FACTORS [24 CFR 5.617(b)(2)]

Verification of Legal Identity

In order to prevent program abuse, the SPHA will require applicants to furnish verification of legal identity for all family members.

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

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

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

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

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

Verification of Marital Status

Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer.

Verification of a separation may be a copy of court-ordered maintenance or other records.
Verification of marriage status is a marriage certificate.

Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification.

One or all of the following verifications will be required, if applicable:

Verification of relationship:

- Official identification showing names
- Birth Certificates
- Baptismal certificates

Verification of guardianship is:

- Court-ordered assignment
- Affidavit of parent
- Verification from social services agency
- School records

Verification of Permanent Absence of Family Member

If an adult member who was formerly a member of the household is reported permanently absent by the family, the SPHA will consider any of the following as verification:

- Husband or wife institutes divorce action.
- Husband or wife institutes legal separation.
- Order of protection/restraining order obtained by one family member against another.
- Proof of another home address, such as utility bills, canceled checks for rent, driver's license, or lease or rental agreement, if available.
- Statements from other agencies such as social services or a written statement from the landlord or manager that the adult family member is no longer living at that location.

- If the adult family member is incarcerated, a document from the Court or correctional facility should be obtained stating how long they will be incarcerated.
- If no other proof can be provided, the SPHA will accept a self-certification from the head of household or the spouse or co-head, if the head is the absent member.

Verification of Change in Family Composition

The SPHA may verify changes in family composition (either reported or unreported) through letters, telephone calls, utility records, inspections, landlords, neighbors, credit data, school or DMV records, and other sources.

Verification of Disability

Verification of disability must be receipt of SSI or SSA disability payments under Section 223 of the Social Security Act or 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)) or verified by appropriate diagnostician such as physician, psychiatrist, psychologist, therapist, rehab specialist, or licensed social worker, using the HUD language as the verification format.

Verification of Citizenship/Eligible Immigrant Status [24 CFR 5.508, 5.510, 5.512, 5.514]

To be eligible for assistance, individuals must be U.S. citizens or eligible immigrants. Individuals who are neither may elect not to contend their status. Eligible immigrants must fall into one of the categories specified by the regulations and must have their status verified by Immigration and Naturalization Service (INS). Each family member must declare their status once. Assistance cannot be delayed, denied, or terminated while verification of status is pending except that assistance to applicants may be delayed while the SPHA hearing is pending.

Citizens or Nationals of the United States are required to sign a declaration under penalty of perjury.

Eligible Immigrants aged 62 or over are required to sign a declaration of eligible immigration status and provide proof of age.

Non-citizens with eligible immigration status must sign a declaration of status and verification consent form and provide their original immigration documents which are copied front and back and returned to the family. The SPHA verifies the status through the INS SAVE system. If this primary verification fails to verify status, the SPHA must request within ten days that the INS conduct a manual search.

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 head of household or spouse.

Non-citizen students on student visas are ineligible members even though they are in the country lawfully. They must provide their student visa but their status will not be verified and they do not sign a declaration but are listed on the statement of ineligible members.

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

Time of Verification

For applicants, verification of U.S. citizenship/eligible immigrant status occurs at the same time as verification of other factors of eligibility for final eligibility determination.

The SPHA will verify the U.S. citizenship/eligible immigration status of all participants no later than the date of the family's first annual reexamination following the enactment of the Quality Housing and Work Responsibility Act of 1998.

For family members added after other members have been verified, the verification occurs at the first recertification after the new member moves in.

Once verification has been completed for any covered program, it need not be repeated except that, in the case of port-in families, if the initial SPHA does not supply the documents, the SPHA must conduct the determination.

Extensions of Time to Provide Documents

The SPHA will grant an extension for families to submit evidence of eligible immigrant status. The length of extension shall be based on individual circumstances. The SPHA will generally allow up to 30 days to submit evidence of eligible immigrant status.

Acceptable Documents of Eligible Immigration

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

- Resident Alien Card (I-551)
- Alien Registration Receipt Card (I-151)

- Arrival-Departure Record (I-94)
- Temporary Resident Card (I-688)
- Employment Authorization Card (I-688B)
- Receipt issued by the INS for issuance of replacement of any of the above documents that shows individual's entitlement has been verified

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

If the SPHA determines that a family member has knowingly permitted another individual who is not eligible for assistance to reside permanently in the family's unit, the family's assistance will be terminated for **24** months, unless the ineligible individual has already been considered in prorating the family's assistance.

Verification of Social Security Numbers [24 CFR 5.216]

Social security numbers must be provided as a condition of eligibility for all family members if they have been issued a number. Verification of social security numbers will be done through a social security card issued by the Social Security Administration. If a family member cannot produce a social security card, only the documents listed below showing his or her social security number may be used for verification. The family is also required to certify in writing that the document(s) submitted in lieu of the social security card information provided is/are complete and accurate:

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

- Retirement benefit letter
- Life insurance policies
- Court records such as real estate, tax notices, marriage and divorce, judgment or bankruptcy records
- Verification of benefits or social security number from Social Security Administration

New family members will be required to produce their social security card or provide the substitute documentation described above together with their certification that the substitute information provided is complete and accurate. This information is to be provided at the time the change in family composition is reported to the SPHA.

If an applicant or participant is able to disclose the social security number but cannot meet the documentation requirements, the applicant or participant must sign a certification to that effect provided by the SPHA. The applicant/participant or family member will have an additional 60 days to provide proof of the social security number. If they fail to provide this documentation, the family's assistance will be terminated.

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

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

Medical Need for Larger Unit

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

Chapter 8

VOUCHER ISSUANCE AND BRIEFINGS

[24 CFR 982.301, 982.302]

INTRODUCTION

The PHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit. Families are provided sufficient knowledge and information regarding the program and how to achieve maximum benefit while complying with program requirements. When eligibility has been determined, the PHA will conduct a mandatory briefing to ensure that families know how the program works. The briefing will provide a broad description of owner and family responsibilities, PHA procedures, and how to lease a unit. The family will also receive a briefing packet which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration. This chapter describes how briefings will be conducted, the information that will be provided to families, and the policies for how changes in the family composition will be handled.

A. ISSUANCE OF VOUCHERS [24 CFR 982.204(d), 982.54(d)(2)]

When funding is available, the SPHA will issue vouchers to applicants whose eligibility has been determined. The number of vouchers issued must ensure that the SPHA stays as close as possible to 100 percent lease-up or 100 percent use of funds. The SPHA performs a monthly calculation electronically to determine whether applications can be processed, the number of vouchers that can be issued, and to what extent the SPHA can over-issue (issue more vouchers than the budget allows to achieve lease up).

The SPHA may over-issue vouchers only to the extent necessary to meet leasing goals. All vouchers which are over-issued must be honored. If the SPHA finds it is over-leased, it must adjust future issuance of vouchers in order not to exceed the ACC budget limitations over the fiscal year.

B. BRIEFING TYPES AND REQUIRED ATTENDANCE [24 CFR 982.301]

Initial Applicant Briefing

A full HUD-required briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in group or individual meetings. Families who attend group briefings and still have the need for individual assistance will be referred to the Housing Specialist assigned to the family.

Briefings will be conducted in English. Briefings may also be conducted in Spanish.

The purpose of the briefing is to explain how the program works and the documents in the voucher holder's packet to families so that they are fully informed about the program. This will enable them to utilize the program to their advantage, and it will prepare them to discuss it with potential owners and property managers.

The SPHA will not issue a voucher to a family unless the household representative has attended a briefing and signed the voucher. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend **two** scheduled briefings, without prior notification and approval of the SPHA, may be denied admission based on failure to supply information needed for certification. The SPHA will conduct individual briefings for families with disabilities at their home, upon request by the family, if required for reasonable accommodation.

Briefing Packet [24 CFR 982.301(b)]

The documents and information provided in the briefing packet for the voucher program will comply with all HUD requirements, including those required for SEMAP compliance.

The family is provided with the following information and materials

- The term of the voucher, and the SPHA policy for requesting extensions or suspensions of the voucher.
- A description of the method used to calculate the housing assistance payment for a family, information on Utility Allowances and Payment Standards.
- How the maximum allowable rent is determined.
- Materials to assist the family in selecting a unit, such as proximity to employment, public transportation, schools, shopping, and the accessibility of services. Guidance will also be provided to assist the family to evaluate the prospective unit, such as the condition, whether the rent is reasonable, average utility expense, energy efficiency, and security.
- Where the family may lease a unit.
- The HUD required tenancy addendum, which must be included in the lease.
- The Request for Tenancy Approval (RFTA) form, and a description of the procedure for requesting approval for a unit
- A statement of the SPHA policy on providing information about families to prospective owners.
- The SPHA Subsidy Standards including when and how exceptions are made and how the voucher size relates to the unit size selected.

- The HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS.
- The HUD pamphlet on lead-based paint entitled *Protect Your Family From Lead in Your Home*.
- Information on Federal, State and local equal opportunity and fair housing laws and guidelines and the phone numbers of the local fair housing agency and the HUD enforcement office.
- A list of landlords or other parties willing to lease to assisted families or help in the search and/or known units available for the voucher issued. The list includes landlords or other parties who are willing to lease units or help families find units outside areas of poverty or minority concentration.
- If the family includes a person with disabilities, notice that the SPHA will provide a list of available accessible units known to the SPHA.
- The family obligations under the program.
- The grounds on which the SPHA may terminate assistance for a participant family because of family action or failure to act.
- SPHA informal hearing procedures including when the SPHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.
- Information that a Landlord Information Guide, an HQS checklist, and sample contract is available.
- Procedures for notifying the SPHA and/or HUD of program abuses such as side payments, extra charges, violations of tenant rights, and owner failure to repair.
- Information packet including an explanation of how portability works, including a list of neighboring housing agencies with the name, address and telephone number of a portability contact person at each for use by families who move under portability. (required for PHAs in MSAs)
- A map showing areas representing various income levels of the jurisdiction and surrounding areas for the purpose of expanding housing opportunities for families. (required for PHAs in MSAs)
- Information regarding the SPHA's outreach program which assists families who are interested in, or experiencing difficulty in obtaining available housing units in areas outside of minority concentrated locations.
- A list of properties or property management organizations that own or operate housing units outside areas of poverty or minority concentration (required for PHAs in MSAs).

- The family's rights as a tenant and a program participant.
- Requirements for reporting changes between annual recertifications.
- Information on security deposits and legal referral services.

Other Information to be Provided at the Briefing

The person conducting the briefing will also describe how the program works and the relationship between the family and the owner, the family and the SPHA, and the SPHA and the owner.

The briefing presentation emphasizes:

- Family and owner responsibilities
- Where a family may lease a unit inside and outside its jurisdiction
- How portability works for families eligible to exercise portability
- Advantages to moving to areas with low concentrations of poor families if family is living in a high poverty census tract in the SPHA's jurisdiction
- Exercising choice in residency
- Choosing a unit carefully and only after due consideration

If the family includes a person with disabilities, the SPHA will ensure compliance with 24 CFR 8.6 to ensure effective communication.

Owner Information

Workshops will be held for owners periodically. Prospective owners may receive a personal invitation and current owners will be notified by mail. The purpose of the owner workshops is to assure successful owner participation in the program.

C. ENCOURAGING PARTICIPATION IN AREAS WITHOUT LOW INCOME OR MINORITY CONCENTRATION

At the briefing, families are encouraged to search for housing in non-impacted areas and the SPHA will provide assistance to families who wish to do so. The assistance provided to such families includes:

- Counseling with the family.
- Providing information about services in various non-impacted areas.

- Meeting with neighborhood groups to promote understanding.
- Formal or informal discussions with landlord groups
- Formal or informal discussions with social service agencies
- Meeting with rental referral companies or agencies
- Meeting with fair housing groups or agencies

The SPHA will maintain lists of available housing units submitted by owners in all neighborhoods within SPHA's jurisdiction to ensure greater mobility and housing choice to very low income households. The lists of units will be available for review at the front desk upon request.

D. ASSISTANCE TO FAMILIES WHO CLAIM DISCRIMINATION

The SPHA will provide the family with a complaint form and the location of the local Fair Housing office. If HUD Fair Housing makes a finding of discrimination against an owner, the SPHA will restrict the owner from future participation.

E. SECURITY DEPOSIT REQUIREMENTS [24 CFR 982.313]

The owner is not required to but may collect a (one) security deposit from the tenant. Security deposits charged to families may be any amount the owner wishes to charge in accordance with private market practice (but not more than the maximum prescribed by State or local law).

For lease-in-place families, responsibility for first and last month's rent is not considered a security deposit issue. In these cases, the owner should settle the issue with the tenant prior to the beginning of assistance.

F. TERM OF VOUCHER [24 CFR 982.303, 982.54(d)(11)]

During the briefing session, each household will be issued a voucher which represents a contractual agreement between the SPHA and the Family specifying the rights and responsibilities of each party. It does not constitute admission to the program which occurs when the lease and contract become effective.

Expirations

The voucher is valid for a period of sixty (60) calendar days from the date of issuance. The family or owner must submit a Request for Tenancy Approval and Lease within the sixty-day period unless an extension has been granted by the SPHA.

If the voucher has expired, and has not been extended by the SPHA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

Suspensions

When a Request for Tenancy Approval is received, the SPHA will deduct the number of days required to process the request from the 60-day term of the voucher.

Extensions

A family may make a written request for an extension of the voucher time period. All requests for extensions must be in writing and received at least one week prior to the expiration date of the voucher.

Extensions are permissible at the discretion of the PHA up to a maximum of an additional 60 days primarily for these reasons:

- Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial sixty-day period. Verification is required.
- The SPHA is satisfied that the family has made a reasonable effort to locate a unit, including seeking the assistance of the SPHA, throughout the initial sixty-day period. A completed search record is required.
- The family was prevented from finding a unit due to disability accessibility requirements or large size bedroom unit requirement.
- If the vacancy rate for rental housing in the jurisdiction is less than 99%, extensions will be granted automatically on request up to a total of 120 days.

The SPHA extends in one or more increments. No more than two extensions of 30 days will be granted. The SPHA will not request HUD approval to extend the voucher beyond an additional 60 days.

Assistance to Voucher Holders

Families who require additional assistance during their search may call the SPHA Office to request assistance. Voucher holders will be notified at their briefing session that the SPHA periodically updates the listing of available units and how the updated list may be obtained.

The SPHA will assist families with negotiations with owners and provide other assistance related to the families' search for housing.

G. VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS

[24 CFR 982.315]

In those instances when a family assisted under the Section 8 program becomes divided into two otherwise eligible families due to divorce, legal separation, or the division of the family, and the new families cannot agree as to which new family unit should continue to receive the assistance, and there is no determination by a court, the SPHA shall consider the following factors to determine which of the families will continue to be assisted:

- Which of the two new family units has custody of dependent children.
- Which family member was the head of household when the voucher was initially issued (listed on the initial application).
- The composition of the new family units, and which unit contains elderly or disabled members.
- Whether domestic violence was involved in the breakup.
- Which family members remain in the unit.
- Recommendations of social service professionals.

Documentation of these factors will be the responsibility of the requesting parties.

If documentation is not provided, the SPHA will terminate assistance on the basis of failure to provide information necessary for a recertification.

H. REMAINING MEMBER OF TENANT FAMILY - RETENTION OF VOUCHER

[24 CFR 982.315]

To be considered the remaining member of the tenant family, the person must have been previously approved by the SPHA to be living in the unit.

A live-in attendant, by definition, is not a member of the family and will not be considered a remaining member of the Family.

In order for a minor child to continue to receive assistance as a remaining family member:

- The court has to have awarded emancipated minor status to the minor, or
- The SPHA has to have verified that social services and/or the Juvenile Court has arranged for another adult to be brought into the assisted unit to care for the child(ren) for an indefinite period.

A reduction in family size may require a reduction in the voucher family unit size.

Chapter 9

REQUEST FOR TENANCY APPROVAL AND CONTRACT EXECUTION

[24 CFR 982.302]

INTRODUCTION [24 CFR 982.305(a)]

The PHA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. The PHA's objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow.

After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the PHA, or outside of the PHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with the PHA. This chapter defines the types of eligible housing, the PHA's policies which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests For Tenancy Approval (RFTA).

A. REQUEST FOR TENANCY APPROVAL [24 CFR 982.302, 982.305(b)]

The Request for Tenancy Approval (RFTA) and a copy of the proposed lease, including the HUD prescribed tenancy addendum, must be submitted by the family during the term of the voucher.

The Request for Tenancy Approval must be signed by both the owner and voucher holder. The lease may be executed up to 60 days prior to contract execution but cannot be executed without approval of the SPHA.

The SPHA will not permit the family to submit more than one RFTA at a time.

The SPHA will review the proposed lease and the Request for Tenancy Approval documents to determine whether or not they are approvable. The request will be approved if:

1. The unit is an eligible type of housing
2. The unit meets HUD's Housing Quality Standards (and any additional criteria as identified in this Administrative Plan)
3. The rent is reasonable
4. The security deposit is approvable

5. The proposed lease complies with HUD and SPHA requirements (See "Lease Review" section below) and State law
6. The owner is approvable, and there are no conflicts of interest (See "Owner Disapproval" section below).

In addition to the above, at the time a family initially receives assistance in a unit (new admissions and moves), if the gross rent for the unit exceeds the applicable payment standard for the family, the family share of rent may not exceed 40 percent of the family monthly adjusted income (See "Owner Rents, Rent Reasonableness and Payment Standards" chapter of this Administrative Plan).

Disapproval of RFTA

If the SPHA determines that the request cannot be approved for any reason, the landlord and the family will be notified in writing. The SPHA will instruct the owner and family of the steps that are necessary to approve the request.

The owner will be given 10 calendar days to submit an approvable RFTA from the date of disapproval.

When, for any reason, an RFTA is not approved, the SPHA will furnish another RFTA form to the family along with the notice of disapproval so that the family can continue to search for eligible housing.

The time limit on the Voucher will be suspended while the RFTA is being processed.

B. ELIGIBLE TYPES OF HOUSING [24 CFR 982.353]

The SPHA will approve any of the following types of housing in the voucher program:

- All structure types can be utilized
- Manufactured homes where the tenant leases the mobile home and the pad
- Manufactured homes where the tenant owns the mobile home and leases the pad for vouchers
- Independent group residences
- Congregate facilities (only the shelter rent is assisted)
- Single room occupancy
- Cooperative housing

A family can own a rental unit but cannot reside in it while being assisted, except in the case when the tenant owns the mobile home and leases the pad. A family may lease in and have an interest in a cooperative housing development.

The SPHA may not permit a voucher holder to lease a unit which is receiving project-based Section 8 assistance or any duplicative rental subsidies.

The SPHA must permit the use of any special housing type if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

C. LEASE REVIEW [24 CFR 982.308]

The SPHA will review the lease, particularly noting the approvability of optional charges and compliance with regulations and state and local law. The lease term must be at least 12 months. The tenant also must have legal capacity to enter a lease under state and local law. Responsibility for utilities, appliances and optional services must correspond to those provided on the Request For Tenancy Approval.

The family and owner must submit a standard form of lease used in the locality by the owner and that is generally used for other unassisted tenants in the premises. The terms and conditions of the lease must be consistent with state and local law.

The HUD prescribed tenancy addendum must be attached to the lease word-for-word before the lease is executed.

Actions Before Lease Term

All of the following must always be completed before the beginning of the initial term of the lease for a unit:

1. The SPHA has inspected the unit and has determined that the unit satisfies the HQS.
2. The SPHA has determined that the rent charged by the owner is reasonable.
3. The landlord and the tenant have executed the lease, including the HUD-prescribed tenancy addendum.
4. The SPHA has approved leasing of the unit in accordance with program requirements.

D. SEPARATE AGREEMENTS

Separate agreements are not necessarily illegal side agreements. Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease.

The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

The SPHA is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction.

Owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by the SPHA.

Any appliances, services or other items which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. For there to be a separate agreement, the family must have the option of not utilizing the service, appliance or other item.

If the family and owner have come to a written agreement on the amount of allowable charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed.

All agreements for special items or services must be attached to the lease approved by the SPHA. If agreements are entered into at a later date, they must be approved by the SPHA and attached to the lease.

The SPHA will not approve separate agreements for modifications to the unit for persons with disabilities. The modifications are usually within the dwelling and are critical to the use of the dwelling.

E. INITIAL INSPECTIONS [24 CFR 982.305(a) & (b)]

See "Housing Quality Standards and Inspections" chapter of this Administrative Plan.

F. RENT LIMITATIONS [24 CFR 982.507]

The SPHA will make a determination as to the reasonableness of the proposed rent in relation to comparable units available for lease on the private unassisted market, and the rent charged by the owner for a comparable unassisted unit in the building or premises.

Rent Increases

The owner must notify tenants and the SPHA in writing of rent increases no less than 60 days prior to the end of the current lease period. A Request for Rental Increase form is available for download at the SPHA website www.stpeteha.org. The SPHA will conduct a rent reasonableness assessment and issue a determination of approval or denial in writing to the owner with a copy to the tenant. Rent increases may be determined reasonable though not affordable to the tenant by the SPHA. To

avoid the risk of losing a “good” tenant, it is recommended that owners discuss rental increases with their tenant prior to submission of rent increase requests.

G. DISAPPROVAL OF PROPOSED RENT [24 CFR 982.502]

In any of the programs, if the proposed gross rent is not reasonable, at the family’s request, the SPHA will negotiate with the owner to reduce the rent to a reasonable rent.

At the family’s request, the SPHA will negotiate with the owner to reduce the rent or include some or all of the utilities in the rent to owner. If the rent can be approved after negotiations with the owner, the SPHA will continue processing the Request for Tenancy Approval and lease. If the revised rent involves a change in the provision of utilities, a new Request for Tenancy Approval must be submitted by the owner.

If the owner does not agree on the rent to owner after the SPHA has tried and failed to negotiate a revised rent, the SPHA will inform the family and owner that the lease is disapproved.

H. INFORMATION TO OWNERS [24 CFR 982.307(b), 982.54(d)(7)]

The SPHA will furnish prospective owners with the family’s current address as shown in the SPHA’s records and, if known to the SPHA, the name and address of the landlord at the family’s current and prior address.

The SPHA will make an exception to this requirement if the family’s whereabouts must be protected due to domestic abuse or witness protection.

The SPHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

A statement of the SPHA’s policy on release of information to prospective landlords will be included in the briefing packet which is provided to the family.

The SPHA will provide the following information, if requested, regarding a family’s tenancy history for the past three (3) years based on *documentation in its possession*:

- Eviction history

- Damage to rental units
- Other aspects of tenancy history, including complaints from neighbors or landlords
- Drug related criminal activity by family members

The information will be provided orally or in writing.

I. OWNER DISAPPROVAL [24 CFR 982.306] See chapter on “Owner Disapproval and Restriction.”

J. CHANGE IN TOTAL TENANT PAYMENT (TTP) PRIOR TO HAP EFFECTIVE DATE

When the family reports changes in factors that will affect the total family share prior to the effective date of the HAP contract at admission, the information will be verified and the total family share will be recalculated. If the family does not report any change, the SPHA need not obtain new verifications before signing the HAP contract, even if verifications are more than 60 days old.

K. CONTRACT EXECUTION PROCESS [24 CFR 982.305(c)]

The SPHA prepares the Housing Assistance Contract and lease for execution. The family and the owner will execute the lease agreement, and the owner and the SPHA will execute the HAP contract. Copies of the documents will be furnished to the parties who signed the respective documents. The SPHA will retain a copy of all signed documents, in accordance with their record retention policy.

The SPHA makes every effort to execute the HAP contract before the commencement of the lease term. The HAP contract may not be executed more than 60 days after commencement of the lease term and no payments will be made until the contract is executed.

Owners must provide the current address of their residence (not a Post Office box). If families lease properties owned by relatives, the owner's current address will be compared to the subsidized unit's address.

Owners must provide an employer identification number or social security number and a copy of their driver's license or other photo identification.

Owners must also submit proof of ownership of the property, such as a grant deed or tax bill, and a copy of the management agreement if the property is managed by a management agent, the landlord packet, and a check or money order for the cost of providing the criminal background check.

The owner must provide a home telephone number and business number if applicable.

If the owner does not reside in Pinellas County or a nearby County, the name and address of a local agent/manager must be provided and an owner/agent form completed.

A family may not lease properties owned by a parent, child, grandparent, grandchild, sister or brother of any family member. The SPHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.

L. CHANGE IN OWNERSHIP

See "Owner Disapproval and Restriction" chapter.

Chapter 10

HOUSING QUALITY STANDARDS AND INSPECTIONS

[24 CFR 982.401]

INTRODUCTION

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS standards are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the assisted lease and HAP contract.

The PHA will inspect each unit under contract at least annually. The PHA will also have a supervisor perform quality control inspections on the number of files required for file sampling by SEMAP annually to maintain the PHA's required standards and to assure consistency in the PHA's program. This chapter describes the PHA's procedures for performing HQS and other types of inspections, and PHA standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with HQS requirements for both families and owners. The use of the term "HQS" in this Administrative Plan refers to the combination of both HUD and PHA requirements. (See additions to HQS).

A. GUIDELINES/TYPES OF INSPECTIONS [24 CFR 982.401(a), 982.405]

The SPHA has adopted local requirements of acceptability in addition to those mandated by the HUD Regulations.

All units must meet the minimum standards set forth in the City of St Petersburg's Building/Housing Code. In cases of inconsistency between the Code and these HQS, the stricter of the two shall prevail.

Efforts will be made at all times to encourage owners to provide housing above HQS minimum standards.

All utilities must be in service when the unit is inspected.

The SPHA requires the stove and refrigerator to be in place at the unit in working order for inspection prior to occupancy by the family. The family shall notify the SPHA at move-in that the appliances are working according to the HQS inspection conducted.

There are four (4) types of inspections the SPHA will perform:

1. Initial/Move-in: Conducted upon receipt of Request for Tenancy Approval.
2. Annual: Must be conducted within twelve months of the last annual inspection.

3. Special/Complaint: At request of owner, family or an agency or third-party.
4. Quality Control.

B. INITIAL HQS INSPECTION [24 CFR 982.401(a), 982.305(b)(2)]

Timely Initial HQS Inspection

The SPHA will inspect the unit, determine whether the unit satisfies the HQS and notify the family and owner of the determination within 15 days after the family and the owner have submitted a request for tenancy approval, unless a supervisor determines that it is unable to do so in the stated timeframe, in which case the file will be appropriately documented.

The SPHA will make every reasonable effort to conduct initial HQS inspections for the family and owner in a manner that is time efficient and indicative of good customer service.

The Initial Inspection will be conducted to:

- Determine if the unit and property meet the HQS defined in this Plan.
- Document the current condition of the unit as to assist in future evaluations whether the condition of the unit exceeds normal wear and tear.
- Document the information to be used for determination of rent-reasonableness.

If the unit fails the initial Housing Quality Standards inspection, the owner will be advised to notify the SPHA once repairs are completed.

On an initial inspection, the owner will be given up to 30 days to correct the items noted as Fail, at the inspector's discretion, depending on the amount and complexity of work to be done.

The owner will be allowed up to two re-inspections for repair work to be completed.

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 must select another unit.

C. ANNUAL HQS INSPECTIONS [24 CFR 982.405(a)]

The SPHA conducts an inspection in accordance with Housing Quality Standards at least annually, as required by SEMAP. Special inspections may be scheduled between anniversary dates.

HQS deficiencies which cause a unit to fail must be corrected by the landlord unless it is a fail for which the tenant is responsible.

The family must allow the SPHA to inspect the unit at reasonable times with reasonable notice. [24 CFR 982.551(d)]

Inspection: The family will be notified of the date and time of the inspection appointment by mail or phone. If the family is unable to be present, they must reschedule the appointment so that the inspection is completed within 30 days.

If the family does not contact the SPHA to reschedule the inspection, or if the family misses two inspection appointments, the SPHA will consider the family to have violated a Family Obligation and their assistance will be terminated in accordance with the termination procedures in the Plan.

Biennial Inspections

SPHA hereby adopts the flexibility allowed by Congress and HUD to conduct inspections on a biennial basis. HUD requires the SPHA to inspect each unit under a HAP contract at least annually or biennially to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.

For participants continuing to receive assistance and remaining in the same unit, a new inspection is required within 730 days of the last inspection. The SPHA reserves the right to inspect certain dwelling units annually if the history of past inspections reflects a high rate of HQS failures, or more frequently if a special inspection is requested.

Section 220 of the 2014 Appropriations Act allows the SPHA to comply with the requirement to inspect assisted dwelling units during the term of a HAP contract by inspecting such units not less than biennially instead of annually and to rely upon alternative inspection methods to meet this requirement. Any alternate inspection method used by the SPHA, will be in compliance with HQS requirements and consistent with federal regulations.

Time Standards for Repairs

Emergency items which endanger the family's health or safety must be corrected within 24 hours of notification. (See Emergency Repair Items section.)

For non-emergency items, repairs must be made within 30 days.

For major repairs where extenuating circumstances persist, the Housing Choice Voucher Officer or designee may approve an extension beyond 30 days on a case-by-case, one-time only, basis.

Verification of HQS Deficiencies for Initial, Annual and Interim Inspections

The SPHA is required to conduct an actual follow-up onsite inspection if the unit does not pass HQS pursuant to the **Initial Inspection** to determine that any and all deficiencies cited at the initial inspection are corrected within the time period specified by the SPHA. HQS owner deficiencies cited at an Annual or an Interim Inspection will may be verified by an on-site inspection or remotely providing all of the following conditions are met:

- Owner submission of Certification of Repairs form
- Receipt(s) for work performed from a vendor
- Photo of repair

Tenant confirmation

HQS tenant related deficiencies will be verified by an on-site inspection.

Emergency items which endanger the family's health or safety must be corrected and verified by an on-site inspection within 24 hours of notification (See Emergency Repair Items section).

Rent Increases

Rent to owner increases may not be approved if the unit is in a failed condition.

D. SPECIAL/COMPLAINT INSPECTIONS [24 CFR 982.405(c)]

If at any time the family or owner notifies the SPHA that the unit does not meet Housing Quality

Standards, the SPHA will conduct an inspection.

The SPHA may also conduct a special inspection based on information from third parties such as neighbors or public officials.

The SPHA will 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.

If the annual inspection date is within 120 days of a special inspection, and as long as all items are inspected that are included in an annual inspection, the special inspection will be categorized as annual and all annual procedures will be followed.

E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b)]

Quality Control inspections will be performed by supervisory staff on the number of files required by SEMAP. 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.

The sampling of files will include recently completed inspections (within the prior 3 months), a cross-section of neighborhoods, and a cross-section of inspectors.

F. ACCEPTABILITY CRITERIA AND EXCEPTIONS TO HQS [24 CFR 982.401 (a)]

The objective of Housing Quality Standards (HQS) inspections is to ensure that all dwelling units leased to HCV participants provide for a safe and healthy environment with living facilities arranged and equipped to ensure such condition.

The following provides additional clarification of several HQS areas:

PLUMBING SYSTEMS AND EQUIPMENT:

1. All plumbing facilities and fixtures shall be connected to a potable water supply and to the public sewer or other approved sewage disposal system and is free from sewer backup.
2. All sinks and tubs must be able to retain water.
3. All sinks and commode water lines must have shutoff valves, unless faucets are well mounted.

NOTE: Taped drain lines are NOT acceptable.

HOT WATER HEATER

Check hot water heater to make sure that it has a discharge line and relief valve. The discharge line must be at least 3 inches from the floor leading to a drip pan or directly to the outside. Water is to be heated to a temperature of not less than 120 degrees Fahrenheit. Unit must be in a place that can be visually checked. No combustible or other materials posing a fire hazard are to be stored next to the unit.

HEATING SYSTEM

Every unit must have a heating system that works properly. Heating equipment must safely and adequately heat dwelling to a minimum air temperature to 68° Fahrenheit measured 3 feet above the floor. Owner-supplied heat source must be available whenever the outside temperature is 65° F or less.

NOTE: Portable heaters do not qualify as a heating system. Heating systems must be permanently attached with a property vented system.

ELECTRICAL WIRING

All wiring must be in the wall or protected by conduit. Must ensure proper grounding of electrical system per National Electrical Code.

NOTE: Lamp cords, which are being used as a permanent part of the electrical wiring, are considered an electrical hazard.

GROUND FAULT INTERRUPTERS

All 125-volt, single-phase, 15 and 20-ampere receptacles installed in the locations specified below shall have ground-fault circuit interrupter protection in accordance with the National Electric Code: Bathrooms.

- Garages and grade-level portions of unfinished accessory buildings used for storage or work areas.

Exception 1- Receptacles that are not readily accessible.

Exception 2- A single receptacle or a duplex receptacle for two appliances located within dedicated space for each appliance that in normal use is not easily moved from one place to another, and that is cord and plug connected in accordance with code.

- Outdoors.
- Crawl Spaces. Where the crawl space is at or below grades level.
- Kitchens. Where the receptacles are installed to serve the countertop surfaces.
- Wet bar sinks. Where the receptacles are installed to serve the countertop surfaces and are located within 6 ft. of the outside edge of the wet bar sink.

Within 6 feet of any water source.

ELECTRICAL OUTLETS:

The outlets required by type of room are:

1. Living Room – Requires 2 outlets or 1 outlet and 1 permanently installed ceiling or wall light fixture.
2. Kitchen– Requires at least 1 working outlet and 1 permanently installed wall or ceiling light fixture in working condition. A working outlet cannot be substituted for a light fixture. See also GFI requirement above.

NOTE: Kitchens 50 square feet or less require 2 remote convenience outlets. Kitchens over 50 square feet require at least 3 separate and remote convenience outlets).

3. Bathroom – Requires a permanent light fixture in working condition, (an outlet cannot substitute for a permanent light fixture) and at least 1 receptacle outlet. See also GFI requirement above.
4. Bedroom or any other room used for sleeping – Requires two outlets or 1 outlet and one permanently installed light fixture.
5. All other rooms used for living – Require a means of natural or artificial illumination such as a light fixture, a wall outlet to serve as a lamp, a window in the room or adequate light from an adjacent room.

All outlets and light switches must have cover plates and cannot be cracked or damaged or have paint on them.

All bedroom light switches must be in the same room that they service.

NOTE: The following items are not considered permanently installed light fixtures: Table or floor lamps.

Ceiling lamps plugged into a socket. Extension cord plugged into another plug.

RANGE AND REFRIGERATOR

All units must have a range and a refrigerator in good working condition. Appliances must be clean and the gaskets in good condition.

The range (stove top and oven) must be free from any heavy build-up of grease to avoid a fire hazard.

Burner rings and pans must be present and for each burner and free of rust and heavy build- up of grease.

All knobs must be present and in working condition.

If a bottom drawer is present in the range, it must be free of rust, and grease.

SMOKE DETECTORS

Each dwelling unit must include at least 1 battery operated or hard wired smoke detector in proper working condition on each level of the unit.

Inoperable smoke detectors are a serious health threat and will be treated by the SPHA as an emergency (24 hour) fail item. If the smoke detector is not operating properly, the SPHA will contact the owner by phone and request the owner to repair the smoke detector within 24 hours. The SPHA will re-inspect the unit the following day.

If the SPHA determines that the family has purposely disconnected the smoke detector (by removing batteries or other means), the family will be required to repair the smoke detector within 24 hours and the SPHA will re-inspect the unit the following day.

The smoke detector must be located in a hallway adjacent to a bedroom. It must be mounted on the ceiling at least 4 inches from a wall or on a wall with the top of the detector not less than 4 inches nor more than 12 inches below the ceiling. Detectors may not be installed in kitchens, garages or other spaces where the temperature can fall below 32° F or exceed 100° F.

NOTE: Units occupied by hearing-impaired persons must have smoke detectors designed for the hearing-impaired in each bedroom occupied by the hearing-impaired person.

BREAKER OR FUSE BOX

The breaker box must have a cover and no missing blanks or fuses.

1. The breaker or fuse box must be accessible.
2. Padlocks on breaker box are not allowed and will FAIL the unit unless both the tenant and owner have a key to the padlock.
3. Breaker or fuse panel cannot be located in another unit nor can the unit contain the panels from another unit.

WINDOWS

Every living and sleeping area must have a window with direct access to outside. Bathrooms must have a working window or a working exhaust fan.

All windows, which were designed to be operable, must be in operating condition.

All windows shall be weather tight, watertight, and insect proof; Jalousie windows are not permitted

All windows must be accessible for inspection and for an emergency exit.

All windows must lock properly.

All windows designed to open must have screens that are not damaged in any way.

All window sashes must be in good condition, solid and intact and fit properly in the window frame. Damaged or deteriorating sashes must be replaced.

NOTE: A small crack in windowpane is acceptable if the glass is not loose and does not have sharp edges.

LIGHT & VENTILATION

Each habitable room within a dwelling or apartment shall have at least one window or skylight facing directly to the outdoors.

The minimum total window area for each habitable room shall be 8% of the floor area of the room. Whenever the only window in a room is a skylight type window in the top of the room, the total window area shall equal at least 15% of the total floor area of that room.

LAUNDRY AREA

Every laundry area shall contain at least one grounded-type receptacle. Washing machines require 110 Amp receptacle and, if applicable, dryers require a 220 Amp.

MAINTENANCE

All buildings or structures and all parts shall be maintained in sound condition, good working order, and in safe and sanitary manner. Each building and structure shall be provided with a means of egress as required by local and/or national code and these required openings may not be obstructed.

- All foundation walls, exterior walls and roofs shall be weather tight, watertight and rodent proof.
- Each window, exterior door and hatchway shall be weather tight, watertight, rodent proof and insect proof.
- Each outside stair, porch appurtenance shall be safe to use and capable of supporting the load

designed and contracted to serve.

- ✓ Each yard or public area shall be properly graded to obtain thorough drainage.
- ✓ Every sleeping room within a building or structure must be provided with 2 means of egress.
- ✓ All exterior wiring must be protected by conduit.
- ✓ All exterior surfaces must be free from cracking, scaling, peeling, chipping and loose paint or adequately treated or covered, regardless of whether the paint has been treated for lead content.
- ✓ A sidewalk or stepping stones must be provided from the front door to the curb of the driveway.
- ✓ Each unit must have house numbers that are visible from the street.
- ✓ Each fuel oil tank, if applicable, must be sound, secured and maintained in a level position.

BURGLAR BARS

Burglar bars or other equipment or devices, which obstruct the required openings, must be capable of being opened from the inside without the use of separate keys or tools.

HAND RAILINGS

Railings, no greater than 4 inches apart, are required on any unenclosed structure over 3 feet from ground level or any steps containing 4 or more risers.

SCREENS

Each dwelling unit shall be protected against mosquitoes, flies and other insects and pests by providing each window with a screen. All other openings to the outside, excluding front and rear entry doors, which are used or intended to be used for ventilation shall be supplied with screens. Sliding glass doors, serving as an entry door, are required to have a screen to allow for intended ventilation use.

ACCESSORY STRUCTURES

Garage, storage buildings, fences, buffer walls shall be maintained in good repair and sound structural condition and shall not be allowed to deteriorate to an unsound or unsightly appearance.

HOUSEKEEPING

Each occupant of a unit is responsible for the disposal of all garbage in a clean and sanitary manner by placing it in the garbage disposal facility or garbage container.

YARD MAINTENANCE STANDARDS

Yards and outside areas must be free of all clutter and debris. Ground cover, including but not limited to grass, mulch, and/or shrubbery for all exposed sand or soil areas, or otherwise as required by local codes and ordinances, must be properly cared for by the person(s) identified on the lease.

SPACE, USE & LOCATION

Each dwelling unit shall contain at least 150 square feet of habitable floor area for the first occupant & at least 100 square feet of additional floor area for each additional occupant.

Each room for sleeping purposes shall contain at least 70 square feet of habitable floor area, with no horizontal dimension being less than 7 feet at the narrowest point. Every room occupied for sleeping by more than 1 occupant shall contain at least 50 square feet of additional habitable floor area for each occupant.

Each bedroom must contain either a portable wardrobe or closet (including a clothes rod) for the proper hanging and storage of clothes. Each bedroom should have an interior door, a window, and either two outlets or one outlet and one permanent lighting fixture.

DEFECTIVE PAINT

For units built after 1978, no peeling paint should be anywhere inside or outside the unit. The surface is to be scraped and repainted with 2 coats of paint. Safe work practices may apply, depending on the size of the surface area of defective paint.

For units built before 1978, the Housing Authority will comply with 24 Code of Federal Regulations Part 35 Lead-Based Paint Poisoning Prevention in Certain Residential Structures Subparts H, Project-Based Assistance and M, Tenant-Based Rental Assistance. This includes regular communication with the Public Health Department at least quarterly, to ensure children younger than 6 years old

If a SPHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, the SPHA must complete a risk assessment of the dwelling unit. The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner. Within 30 days after receiving the risk assessment report from the SPHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the SPHA will take the appropriate remedial actions up to and including abatement and contract termination.

WATER

Water supply must be connected to an approval public or private system. If it is a private system, the owner will be asked whether the well has been tested and whether it was approved. Verification may be required.

SEWER

The unit must be connected to an approval public or private system. If private system is used, owner will be asked the type of system. The inspector will determine whether it meets local health and safety standards. Evidence of sewer back-up will warrant a fail rating.

BATHROOM

1. Each unit must have a bathroom for the exclusive, private use of the tenant and be connected to a hot and cold running water supply and contain a sink, toilet, tub and/or shower in proper working order.
2. The primary bathroom must contain a toilet paper holder, a medicine cabinet or shelf, a vanity mirror, and a shower rod (if a shower is present). The primary bathroom must also contain a toothbrush holder, soap dish and adequate towel bars in relations to the number of occupants.
3. The tub/shower unit must be adequately caulked or grouted and secured. The walls must be free of any hazards such as broken or jagged edges and should be impervious to water, if a shower is present.
4. Each toilet must have a toilet tank cover. The toilet seat must be free of any hazards. The porcelain of all bathroom fixtures and must be clean and free of major stains.
5. All plumbing holes must be sealed.
6. Ground Fault Interrupters are required. See requirement in this chapter.
7. A window or an exhaust fan is required.

KITCHEN

1. Each dwelling unit must have a specific kitchen area.
2. Each kitchen must contain an oven and stove (or range) with all parts in proper working order.

3. Each unit must contain a properly working refrigerator of appropriate size for the unit. All refrigerator parts and accessories should be present and in good working order, including shelves, vegetable bins and covers, etc.
4. Each kitchen must contain a sink with hot and cold running water and with an approved drain with gas trap.
5. All plumbing holes in walls and floors must be sealed.
6. Each unit must have space for food storage and preparation. The countertop surface adjacent to the sink must be impervious to water and free of paper based coverings (such as adhesive-backed paper) and should have a back-splash
7. The kitchen floor must be sound, free from hazardous defects and impervious to water with covering such as tile or linoleum.
8. Ground Fault Interrupters are required. See requirement in this chapter.
9. The kitchen must have at least one outlet and at least one permanent lighting fixture.

MOBILE HOMES

If the unit is a mobile home, it must be properly placed and tied down and have at least one (1) smoke detector in working condition.

GENERAL HEALTH AND SAFETY

1. The access to the unit may not be gained through another unit.
2. The unit must have adequate covered facilities for temporary storage and disposal of wastes.
3. All elevators must display a current inspection certificate (or date of last inspection verified by owner) and must be operating safely and properly.
4. The unit must be free from abnormally high levels of air pollution from vehicular exhaust, sewer gas, fuel gas, dust or other pollutants.
5. The site and immediate neighborhood must be free from conditions, which would seriously and continuously endanger the health and/or safety of the residents.
6. Each unit must have an individual mailbox for the exclusive private use of the tenant.

G. EMERGENCY REPAIR ITEMS [24 CFR 982.404(a)]

The following items are considered of an emergency nature and must be corrected by the owner or tenant (whoever is responsible) within 24 hours of notice by the inspector:

- Inoperable smoke detector
- Major plumbing leaks or flooding
- Natural gas leak or fumes
- Electrical problem which could result in shock or fire
- No heat when outside temperature is below 40° Fahrenheit and inside the unit is below 59° Fahrenheit
- No running water
- Broken glass where someone could be injured
- Obstacle which prevents tenant's entrance or exit
- Lack of functioning toilet
- Lack of security for the unit
- Waterlogged ceiling in eminent danger of falling

The SPHA may give a short extension (not more than 24 additional hours) whenever the responsible party cannot be notified or it is impossible to affect the repair within the 24-hour period.

If the emergency repair item(s) are not corrected in the time period required by the SPHA, and the owner is responsible, the housing assistance payment will be abated and the HAP contract will be terminated.

If the emergency repair item(s) are not corrected in the time period required by the SPHA, and it is an HQS breach which is a family obligation, the SPHA will terminate the assistance to the family.

H. CONSEQUENCES IF OWNER IS RESPONSIBLE (NON-EMERGENCY ITEMS) [24 CFR 982.405, 982.453]

When it has been determined that a unit on the program fails to meet Housing Quality Standards, and the owner is responsible for completing the necessary repair(s) in the time period specified by the SPHA, the assistance payment to the owner will be abated.

Abatement

A Notice of Abatement will be sent to the owner, and the abatement will be effective from the day after the date of the failed inspection. The notice is generally for 30 days, depending on the nature of the repair(s) needed.

The SPHA will inspect abated units within **7** days of the owner's notification that the work has been completed.

If the owner makes repairs during the abatement period, payment will resume on the day the unit passes inspection.

The SPHA will advise owners of their responsibility to notify the tenant of when the re-inspection will take place.

No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS. The tenant is not responsible for the PHA's portion of rent that is abated.

Reduction of Payments

The SPHA may grant an extension in lieu of abatement in the following cases:

1. The owner has a good history of HQS compliance.
2. The failed items are minor in nature.
3. There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services.
4. The owner makes a good faith effort to make the repairs.
5. The repairs are expensive (such as exterior painting or roof repair) and the owner needs time to obtain the funds.
6. The repairs must be delayed due to climate conditions.

The extension will be made for a period of time not to exceed 20 days. At the end of that time, at the SPHA's discretion, if the work is not completed or substantially completed, the SPHA will begin the abatement or termination of assistance.

Termination of Contract

If the owner is responsible for repairs, and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Contract Proposed Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect.

If repairs are completed before the effective termination date, the termination may be rescinded by the SPHA if the tenant chooses to remain in the unit. Only one Housing Quality Standards inspections will be conducted after the termination notice is issued.

I. DETERMINATION OF RESPONSIBILITY [24 CFR 982.404, 982.54(d)(14)]

Certain HQS deficiencies are considered the responsibility of the family:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear

“Normal wear and tear” is defined as items which could not be charged against the tenant’s security deposit under State law or court practice. The owner is responsible for all other HQS violations.

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

The inspector will make a determination of owner or family responsibility during the inspection. The owner or tenant may appeal this determination to a mediator within 10 days of the inspection.

If the family is responsible but the owner carries out the repairs, the owner will be encouraged to bill the family for the cost of the repairs and the family's file will be noted.

J. CONSEQUENCES IF FAMILY IS RESPONSIBLE [24 CFR 982.404(b)]

If emergency or non-emergency violations of HQS are determined to be the responsibility of the family, the SPHA will require the family make any repair(s) or corrections within **30** days. If the repair(s) or correction(s) are not made in this time period, the SPHA will terminate assistance to the family, after providing an opportunity for an informal hearing. Extensions in these cases must be approved by a supervisor. The owner's rent will not be abated for items which are the family's responsibility.

If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

K. CONSEQUENCES FOR FAILED RE-INSPECTION

In the event a property fails a re-inspection for either an emergency or non-emergency related violation, the landlord shall be required to pay a \$50.00 re-instatement fee prior to scheduling a third inspection on the rental unit.

Chapter 11

OWNER RENTS, RENT REASONABLENESS, AND PAYMENT STANDARDS

[24 CFR 982.502, 982.503, 982.504, 982.505,
982.507]

INTRODUCTION

The PHA will determine rent reasonableness in accordance with 24 CFR 982.507(a). It is the PHA's responsibility to ensure that the rents charged by owners are reasonable based upon unassisted comparables in the rental market, using the criteria specified in 24 CFR 982.507(b).

This chapter explains the PHA's procedures for determination of rent-reasonableness, payments to owners, adjustments to the payment standards, and rent adjustments.

A. RENT TO OWNER IN THE HOUSING CHOICE VOUCHER PROGRAM

The rent to owner is limited by rent reasonableness and affordability during the initial term of the lease and HAP Contract, for new admissions and moves. The SPHA must demonstrate that the rent to owner is comparable to rents paid for similar non-subsidized. For new admissions and moves, if the gross rent for the selected unit is more than the applicable payment standard, the family share cannot be more than 40 percent of the adjustment income of the family.

The determination of adjusted monthly income must be based on verification information received by the SPHA no earlier than 60 days before the SPHA issues a Voucher to the family.

During the initial term of the lease, the owner may not raise the rent to owner.

B. MAKING PAYMENTS TO OWNERS [24 CFR 982.451]

Once the HAP contract is executed, the SPHA begins processing payments to the landlord. A HAP Register is used as a basis for monitoring the accuracy and timeliness of payments. Changes are made automatically to the HAP Register for the following month. **Direct Deposit** payments are disbursed by Accounting Department to the owner/agents each month. Each landlord is required to register at **HMS PAL™** and set up a user account at:

www.hmsforweb.com/pal. Using the **HMS PAL™** system, owner/agents and public housing agencies are able to register and access information regarding monthly Housing Assistance Payments (HAP) for all current tenants under contract. Instructions are provided to landlords at the website for accessing information through their user account. After successful registration, landlords can log in to view and/or print out the payment history for individual payment information up to 18 months. The most current payment data will be available online on the day following a

check run. This includes mid-month payments that are applicable for new move-ins, lease ups, and payments that have been held for abatements. Landlords are asked to allow 3-5 business days for the electronic deposit to their bank account.

Excess Payments

The total of rent paid by the tenant plus the SPHA housing assistance payment to the owner may not be more than the rent to owner. The owner must immediately return any excess payment to the SPHA.

Owners who do not return excess payments will be subject to penalties as outlined in the "Owner or Family Debts to the PHA" chapter of this Administrative Plan.

Late Payments to Owners

It is a local business practice in the City of St. Petersburg for property managers and owners to charge tenants a reasonable late fee for rents not received by the owner or property manager by the due date, notwithstanding any grace period which is typically 5 days past the first of the month.

Therefore, in keeping with generally accepted practices in the local housing market, the SPHA must make housing assistance payments to the owner promptly and in accordance with the HAP contract.

The SPHA will not be obligated to pay a late fee to the owner if HUD determines that late payment is due to factors beyond the SPHA's control. The SPHA will use administrative fee income or the administrative fee reserve as its only source for late payment penalty.

C. RENT REASONABLENESS DETERMINATIONS [24 CFR 982.507]

The SPHA will determine and document on a case-by-case basis that the approved rent is reasonable in comparison to rent for other comparable unassisted units in the market. This applies to all programs. The SPHA will not approve a lease until the SPHA determines that the initial rent to owner is a reasonable rent.

The SPHA must redetermine the reasonable rent before any increase in the rent to owner, and if there is a 10% (ten percent) decrease in the published FMR in effect 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.

For Low-income housing tax credits (LIHTC) or assistance under HUD's HOME Investment Partnerships (HOME) program a rent comparison with unassisted unit is not required if the voucher rent does not exceed the rent for other LIHTC – or HOME assisted units in the project that are not occupied by families with tenant-based assistance.

For LIHTC, if the rent requested by the owner exceeds the LIHTC rents for non-voucher families, the SPHA must complete a rent reasonableness determination; and, the rent shall not be more than the lesser of the reasonable rent as determined by SPHA and the applicable payment standard for the unit size.

The SPHA must redetermine rent reasonableness if directed by HUD and based on a need identified by the PHA's auditing system. The PHA may elect to redetermine rent reasonableness at any other time. At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or redetermined by the SPHA

The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises.

If requested, the owner must give the SPHA information on rents charged by the owner for other units in the premises or elsewhere.

The data for other unassisted units will be gathered from newspapers, Realtors, professional associations, inquiries of owners, market surveys, and other available sources.

The market areas for rent reasonableness may be zip codes/subdivisions/census tracts/neighborhoods within the SPHA's jurisdiction. Subject units within a defined housing market area will be compared to similar units within the same area.

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
- Maintenance
- Utilities

Rent Reasonableness Methodology

The SPHA maintains information which includes data on unassisted units for use by staff in making rent reasonableness determinations.

D. PAYMENT STANDARDS FOR THE VOUCHER PROGRAM-SMALL AREA FAIR MARKET RENTS

SPHA is required to use Small Area Fair Market Rents (SAFMRs) to establish payments standards. SAFMRs are established by HUD by zip code. Payment standards must be within the 90% to 110% of each SAFMR. SPHA has discretion to apply SAFMRs to the Project-Based Program; they are not required for PBV vouchers. However, the decision to apply or not apply them to PBVs cannot be changed at a later date.

The Payment Standard is used to calculate the housing assistance payment for a family. The SPHA reviews the appropriateness of the Payment Standard annually when the SAFMRs are published. In determining whether a change is needed, the SPHA will ensure that the Payment Standard is always within the range of 90 percent to 110 percent of the new FMR, unless an exception payment standard has been approved by HUD.

The SPHA will establish a single voucher payment standard amount for each FMR area in the PHA jurisdiction. For each FMR area, the SPHA will establish payment standard amounts for each “unit size”. The SPHA may have a higher payment standard within the SPHA’s jurisdiction if needed to expand housing opportunities outside areas of minority or poverty concentration, as long as the payment standard is within the 90-110% of SAFMR.

The SPHA’s payment standard will generally be set at 100% of the SAFMR. However, as SAFMR’s are published by HUD on or after their effective date, it is not cost-effective or efficient to recalculate certifications and recertifications that have already been processed. Therefore, it is SPHA procedure that payment standards increased as a result of the increased SAFMR will be implemented at the first eligible action following distribution of the revised payment standards/SAFMR’s.

The SPHA may approve a higher payment standard within the basic range, if required as a reasonable accommodation for a family that includes a person with disabilities.

E. ADJUSTMENTS TO PAYMENT STANDARDS [24 CFR 982.503]

Payment Standards may be adjusted, within HUD regulatory limitations, to increase Housing Assistance Payments in order to keep families' rents affordable. The SPHA may use some or all of the measures below in making its determination whether an adjustment should be made to the Payment Standards.

Quality of Units Selected

The SPHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that Payment Standard increases are only made when needed to reach the mid-range of the market.

SPHA Decision Point

The SPHA will review the average percent of income of families on the program. If more than 40% of families are paying more than 30% of monthly adjusted income for a particular unit size, the SPHA will determine whether families are renting units larger than their voucher size, and whether families are renting units which exceed HUD's HQS and any additional standards added by the SPHA in the Administrative Plan.

If families are paying more than 30% of their income for rent due to the selection of larger bedroom size units or luxury units, the SPHA may decline to increase the payment standard.

Rent to Owner Increases

The SPHA may review a sample of the units to determine how often owners are increasing rents and the average percent of increase by bedroom size.

Time to Locate Housing

The SPHA may consider the average time period for families to lease up under the Voucher program. If more than 30% of Voucher holders are unable to locate suitable housing within the term of the voucher and the SPHA determines that this is due to rents in the jurisdiction being unaffordable for families even with the presence of a voucher the Payment Standard may be adjusted.

Lowering of the Payment Standard

Lowering of the FMR may require an adjustment of the Payment Standard. Additionally, statistical analysis may reveal that the Payment Standard should be lowered. In any case, the Payment Standard will not be set below 90 percent of the FMR without authorization from HUD.

Financial Feasibility

Before increasing the Payment Standard, the SPHA may review the budget to determine the impact projected subsidy increases would have on funding available for the program and number of families served.

F. EXCEPTION PAYMENT STANDARDS

If the dwelling unit is located in an exception area, the SPHA must use the appropriate payment standard amount established by the PHA for the exception area in accordance with regulation at 24 CFR 982.503(c).

G. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM
(24 CFR 982.308(g))

The owner is required to notify the SPHA, in writing, at least sixty days before any change in the amount of rent to owner is scheduled to go into effect. Any requested change in rent to owner will be subject to rent reasonableness requirements. See 24 CFR 982.503.

Chapter 12

RECERTIFICATIONS

[24 CFR 982.516]

INTRODUCTION

In accordance with HUD requirements, the SPHA will reexamine the income and household composition of all families at least annually. Families will be provided accurate annual and interim rent adjustments. Recertifications and interim examinations will be processed in a manner that ensures families are given at least 30-days notice before an increase in the tenant rent portion, unless the voucher holder caused the processing delay. All annual activities will be coordinated in accordance with HUD regulation. It is a HUD requirement that families report all changes in household composition. This Chapter defines the HA's policy for conducting annual recertifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

A. ANNUAL ACTIVITIES [24 CFR 982.516, 982.405]

There are three activities the HA must conduct on an annual basis. These activities will be coordinated whenever possible:

1. Recertification of Income and Family Composition
2. HQS Inspection
3. Rent to Owner Adjustment

The SPHA produces a monthly listing of units under contract to ensure that timely reviews or contract rent, housing quality, and factors related to Total Tenant Payment can be made. Requests for rent adjustments and other monetary changes will be transmitted to the Accounting Department.

Annual activities for contracts that did not commence on the first of the month must be conducted no later than the first of the month in which the lease was effective.

Annual inspections: See Chapter 10, "Housing Quality Standards and Inspections".

Rent Adjustments: See Chapter 11, "Owner Rents, Rent Reasonableness and Payment Standards".

B. ANNUAL RECERTIFICATION/REEXAMINATION [24 CFR 982.516]

Families are required to be recertified at least annually. At the first interim or annual certification on or after June 19, 1995, family members must report and verify their U.S. citizenship/eligible immigrant status.

Moves Between Reexaminations

When families move to another dwelling unit:

- An annual recertification will be scheduled (unless a recertification has occurred in the last 120 days and the anniversary date will be changed).

Income limits are not used as a test for continued eligibility at recertification.

Reexamination Notice to the Family

The SPHA will maintain a reexamination tracking system and the household will be notified by mail of the date and time for their interview 90 - 120 days in advance of the anniversary date. If requested as an accommodation by a person with a disability, the SPHA will provide the notice in an accessible format. The SPHA will also mail the notice to a third party, if requested as reasonable accommodation for a person with disabilities.

Procedure

The SPHA's procedure for conducting annual re-certifications will be:

- Schedule the date and time of appointments and mail a notification to the family along with the personal declaration and other required forms.

Persons with Disabilities

- Persons with disabilities, who are unable to come to the HA's office will be granted an accommodation of conducting the interview by mail, upon verification that the accommodation requested meets the need presented by the disability.

Collection of Information

- The SPHA will allow the family to complete the recertification form.
- The SPHA representative will interview the family and enter the information provided by the family on the recertification form.

- The SPHA will require the family to complete a Personal Declaration Form prior to all recertification interviews.

Requirements to Attend

The following family members will be required to attend the recertification interview:

- All adult household members

EXCEPTION: Elderly and disabled households may recertify via mail.

If the head of household or any adult household member is unable to attend the interview the appointment will be rescheduled.

Failure to Respond to Notification to Recertify

The written notification must state which family members are required to attend the interview. If the family does not appear for the recertification interview, and has not rescheduled or made prior arrangements with the SPHA, the SPHA will reschedule a second appointment.

If the family fails to appear for the second appointment, and has not rescheduled or made prior arrangements, the SPHA will

- Not schedule a third appointment.
- Terminate assistance to the family, and offer them an informal hearing.

Exceptions to these policies may be made by HCV Officer or his/her designee, 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.

Documents Required From the Family

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

1. Verification of income for all family members
2. Verification of liquid and non-liquid assets
3. Verification of any deductions/allowances
4. Personal Declaration Form completed by head of household
5. Other as instructed

Verification of Information

The SPHA will follow the verification procedures and guidelines described in this Plan. Verifications for reexaminations must be less than 120 days old.

Tenant Rent Increases If tenant rent increases, a thirty-day notice is mailed to the family prior to the anniversary date.

If less than thirty days are remaining before the anniversary date, the tenant rent increase will be effective on the first of the month following the thirty-day notice.

If there has been a misrepresentation or a material omission by the family, or if the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the anniversary date.

Tenant Rent Decreases

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

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

Streamlined Annual Examinations – Elderly and/or Disabled Families on Fixed Income

A streamlined reexamination of income for elderly and/or disabled families may be conducted when 100% of the family's income consists of fixed income. In such cases the SPHA will confirm with the family that 100% of income is fixed income and recalculate family incomes by applying any published cost of living adjustments to the previously verified income amount annually and conduct a full reexamination of the family every three (3) years.

Fixed Income includes income from the following:

- Social Security, Supplemental Security Income (SSI), and Supplemental Disability income (SSD);
- Federal, State, local and private pension plans; and
- Other periodic payments from annuities, insurance policies, retirement funds, disability, death benefits, and other similar types of periodic receipts that are of substantially the same amounts from year to year.

C. REPORTING INTERIM CHANGES [24 CFR 982.516]

HUD requires program participants to report all changes in household composition to the SPHA between annual reexaminations. This includes additions due to birth, adoption and court-awarded custody. The family must obtain HA approval prior to all other additions to the household.

The U.S. citizenship/eligible immigrant status of additional family members must be declared and verified as required at the first interim or regular recertification after moving into the unit.

Interim Reexamination Policy

Increases in Income

Families will be required to report all increases in income/assets/family composition of all household members to the SPHA in writing within 10 days of the change. Any increases in a family's income from their current job will be calculated forward at the family's next annual reexamination. This does not apply to families reporting zero income. Interim re-examinations will be processed for families reporting zero income every 30 days.

Interims are required for families reporting any new income source (i.e., new job, Child Support, SSI).

Decreases in Income

Participants may report a decrease in income and other changes, which would reduce the amount of tenant rent, such as an increase in allowances or deductions. The SPHA will conduct an Interim exam and must calculate the change if a decrease in income is reported.

HA Errors

If the SPHA makes a calculation error at admission to the program or at an annual re-examination, an interim reexamination will be conducted to correct the error, but the family will not be charged retroactively.

D. OTHER INTERIM REPORTING ISSUES

An interim reexamination does not affect the date of the annual recertification.

Families with zero or unstable income will be required to report for interim re-exam every 30 days. In the following circumstances, the SPHA may conduct the interim recertification by mail:

- Changes that will not result in a change in tenant rent or voucher size.

- Changes in income that are routine for the family, such as seasonal employment.

As a reasonable accommodation when requested. (See Chapter 1, "Statement of Policies and Objectives")

SPHA will notify the family regarding any decision by mail.

Any changes reported by participants other than those listed in this section will be notated in the tenant file by SPHA staff but will not be processed between regularly scheduled annual reexaminations.

E. INCOME CHANGES RESULTING FROM WELFARE PROGRAM REQUIREMENTS

The SPHA will not reduce the family share of rent for families whose welfare assistance is reduced specifically because of:

- Fraud; or
- Failure to participate in an economic self-sufficiency program; or
- Noncompliance with a work activities requirement

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

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where the family has complied with welfare program requirements but cannot or has not obtained employment. Such as:
 - The family has complied with welfare program requirements, but the durational time limit, (such as a cap on welfare benefits for a period of no more than two years in a five- year period), causes the family to lose their welfare benefits.
 - The SPHA will notify affected families that they have the right to an informal hearing regarding these requirements.

Verification Before Denying a Request to Reduce Rent

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

Cooperation Agreements

The SPHA has a long standing relationship with the local welfare agency and will take a proactive approach to culminating an expanded working relationship for the purpose of targeting economic self-sufficiency programs throughout the community that are available to HCV tenant- based assistance families.

F. NOTIFICATION OF RESULTS OF RECERTIFICATIONS

(HUD Notice PIH 98-6)

The HUD form 50058 will be completed and transmitted as required by HUD.

The Notice of Rent Change is mailed to the owner and the tenant. Signatures are not required by the SPHA. If the family disagrees with the rent adjustment, they may request an informal hearing..

G. TIMELY REPORTING OF CHANGES IN INCOME (AND ASSETS)

Standard for Timely Reporting of Changes

The SPHA requires that families report interim changes to the SPHA within 10 days of when the change occurs. Any information, document or signature needed from the family to verify the change must be provided within 20 days of the change.

An exception will be made for TANF recipients who obtain employment. In such cases, families will have to report within 20 days of receipt of the Notice of Action from TANF that shows the full adjustment for employment income.

If the change is not reported within the required time period, or if the family fails to provide documentation or signatures, it will be considered untimely reporting.

Procedures When the Change is Reported in a Timely Manner

The SPHA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following guidelines:

Increases in the Tenant Rent as a result of an earnings increase at their current place of employment, shall be calculated forward at the family's next annual re-examination.

Decreases in the Tenant Rent are effective the first of the month following that in which the change occurred. However, the change first will be verified according to the verification hierarchy described in Chapter 7 of this Plan. The change must be reported timely.

Procedures When the Change is Not Reported in a Timely Manner

If the family does not report the change as described under Timely Reporting, the family will have caused an unreasonable delay in the interim reexamination processing and the following guidelines will apply:

Increases in Tenant Rent will be effective retroactive to the date it would have been effective had it been reported on a timely basis. The family will be liable for any overpaid housing assistance and may be required to sign a Repayment Agreement or make a lump sum payment.

Decreases in Tenant Rent will be effective on the first of the month following completion of processing by the SPHA and not retroactively.

Procedures When the Changes Not Processed by the SPHA in a Timely Manner

"Processed in a timely manner" means that the change goes into effect on the date it should when the family reports the change in a timely manner. If the change cannot be made effective on that date, the change is not processed by the SPHA in a timely manner.

In this case, an increase will be effective after the required thirty days notice prior to the first of the month after completion of processing by the SPHA.

If the change resulted in a decrease, the overpayment by the family will be calculated retroactively to the date it should have been effective, and the family will be credited for the amount.

H. CHANGES IN VOUCHER SIZE AS A RESULT OF FAMILY COMPOSITION CHANGES (24 CFR 982.516(c))

(See "Subsidy Standards" chapter.)

I. CONTINUATION OF ASSISTANCE FOR "MIXED" FAMILIES [24 CFR 5.518]

Under the Non-citizens Rule, "Mixed" families are families that include at least one citizen or eligible immigrant and any number of ineligible members.

“Mixed” families who were participants as of June 19, 1995, shall continue receiving full assistance if they meet all of the following criteria:

1. The SPHA implemented the Non-Citizen Rule prior to November 29, 1996; AND
2. The head of the household or spouse is a U.S. citizen or has eligible immigrant status; AND
3. All members of the family other than the head, the spouse, parents of the head or the spouse, and children of the head or spouse are citizens or eligible immigrants. The family may change the head of household to qualify under this provision.

If the SPHA implemented the Non-Citizen Rule on or after November 29, 1996, mixed families may receive prorated assistance only.

J. MISREPRESENTATION OF FAMILY CIRCUMSTANCES

If any participant deliberately misrepresents the information on which eligibility or tenant rent is established, the SPHA will refer the case to its fraud recovery staff for review, collection and possible termination of assistance. The SPHA may also refer the family file/record to the proper authorities for appropriate disposition.

Chapter 13

MOVES WITH CONTINUED ASSISTANCE/PORTABILITY

[24 CFR 982.314, 982.353, 982.355(a)]

INTRODUCTION

HUD regulations permit families to move with continued assistance to another unit within the PHA's jurisdiction, or to a unit outside of the PHA's jurisdiction under portability procedures. The regulations also allow the PHA the discretion to develop policies which define any limitations or restrictions on moves. This chapter defines the procedures for moves, both within and outside of, the PHA's jurisdiction, and the policies for restriction and limitations on moves.

A. ALLOWABLE MOVES

A family may move to a new unit with continued assistance if:

- The assisted lease for the old unit has terminated because the SPHA has terminated the HAP contract for owner breach, or the lease was terminated by mutual agreement of the owner and the family.
- The owner has given the family a notice to vacate, or has commenced an action to evict the tenant, or has obtained a court judgment or other process allowing the owner to evict the family (unless assistance to the family will be terminated).
- The family has given proper notice of lease termination (and if the family has a right to terminate the lease on notice to owner).

B. RESTRICTIONS ON MOVES [24 CFR 982.314, 982.552(a)]

Families will be permitted to lease a unit within the SPHA's jurisdiction during the initial year of assisted occupancy. Families will not be permitted to move outside the SPHA's jurisdiction under portability procedures during the initial year of assisted occupancy.

Families will be permitted to move more than once in a 12-month period.

The SPHA will deny permission to move if there is insufficient funding for continued assistance. The SPHA may deny permission to move if:

- The family has violated a family obligation.
- The family owes the SPHA money.

The supervisor may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control.

C. PROCEDURE FOR MOVES [24 CFR 982.314]

Issuance of Voucher

Subject to the restrictions on moves, if the family has not been recertified within the last 120 days, the SPHA will issue the voucher to move after conducting the recertification.

If the family does not locate a new unit, they may remain in the current unit so long as the owner permits.

The annual recertification date will be changed to coincide with the new lease-up date. SPHA is not responsible for damages, back rent, or security deposits.

Notice Requirements

Briefing sessions emphasize the family's responsibility to give the owner and the SPHA proper written notice of any intent to move.

Time of Contract Change

A move within the same building or project, or between buildings owned by the same owner, will be processed like any other move except that there will be no overlapping assistance.

In a move, assistance stops at the old unit at the end of the month in which the tenant ceased to occupy. Assistance will start on the new unit on the effective date of the lease and contract.

D. PORTABILITY [24 CFR 982.353]

Portability applies to families moving out of or into the SPHA's jurisdiction within the United States and its territories.

E. OUTGOING PORTABILITY [24 CFR 982.353, 982.355]

Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit outside the SPHA's jurisdiction, anywhere in the United States, in the jurisdiction of a SPHA with a tenant-based program. When a family requests to move outside of the SPHA's jurisdiction, the request must specify the area to which the family wants to move.

If there is more than one PHA in the area in which the family has selected a unit, the SPHA may choose the receiving PHA.

Restrictions on Portability

Applicants

If neither the head nor spouse had a domicile (legal residence) in the SPHA's jurisdiction at the date of their initial application for assistance, the family will not be permitted to exercise portability upon initial issuance of a voucher, unless the SPHA approves such move.

[NOTE: legal domicile is defined by local government.]

Upon initial issuance of a voucher, the family must be income eligible under the receiving HA income limits during the initial 12-month period after admission to the program.

Participants

After an applicant has leased-up in the jurisdiction of the initial housing agency, they cannot exercise portability during the first year of assisted occupancy, except in the following circumstances:

- The receiving and initial SPHA agree to allow the move.

The SPHA will not permit families to exercise portability:

- If the family is in violation of a family obligation.
- If the family owes money to the SPHA.
- If the family has moved out of its assisted unit in violation of the lease.

Receiving PHA's will be required to submit hearing determinations to the SPHA within 30 days.

F. INCOMING PORTABILITY [24 CFR 982.354, 982.355]

Absorption or Administration

The SPHA will accept a family with a valid voucher from another jurisdiction as long as it will not expire before the expiration date of any initial SPHA voucher. The family must submit a request for

tenancy approval for an eligible unit to SPHA during the term of the voucher. SPHA may grant extensions in accordance with this Administrative Plan. However, if the family decides not to lease-up in the SPHA jurisdiction, they must contact the initial housing authority to request an extension.

The SPHA will absorb all incoming portable families provided that there is funding available.

The receiving PHA does not redetermine eligibility for a portable family that was already receiving assistance in the initial PHA Section 8 tenant-based program.

The SPHA will issue a "portability voucher" according to its own Subsidy Standards. If the family has a change in family composition which would change the voucher size, the SPHA will change to the proper size based on its own Subsidy Standards.

Income and Total Tenant Payment of Incoming Portables [982.353(d)]

As the receiving housing authority, SPHA will conduct a recertification interview but only verify the information provided if the documents are missing or are over 120 days old; or, if there has been a change in the family's circumstances.

If the family's income is such that a \$0 subsidy amount is determined prior to lease-up in the SPHA's jurisdiction, the SPHA may refuse to enter into a contract on behalf of the family at \$0 assistance.

Requests for Tenancy Approval

A briefing will be mandatory for all portability families.

When the family submits a Request for Tenancy Approval, it will be processed using the SPHA's policies. If the family does not submit a Request for Tenancy Approval or does not execute a lease, the initial SPHA will be notified within 30 days by the SPHA.

Regular Program Functions

The SPHA will perform all program functions applicable the tenant-based assistance program, such as:

- Annual reexaminations of family income and composition;
- Annual inspection of the unit; and
- Interim examinations when requested or deemed necessary by the PHA ***Terminations***

The SPHA will notify the initial PHA in writing of any termination of assistance with a copy of the termination notice to the family. If an informal hearing is required and requested by the family, the hearing will be conducted by the SPHA, using the regular hearing procedures included in this Plan. A copy of the hearing decision will be furnished to the initial PHA.

The initial PHA will be responsible for collecting amounts owed by the family for claims paid and for monitoring repayment. If the initial PHA notifies the SPHA that the family is in arrears or the family has refused to sign a payment agreement, the SPHA will terminate assistance to the family.

Required Documents

As receiving PHA, the SPHA will require the documents listed on the HUD Portability Billing Form from the initial PHA.

Billing Procedures

As receiving PHA, the SPHA will bill the initial PHA monthly for housing assistance payments. The billing cycle for other amounts, including administrative fees and special claims will be monthly, unless requested otherwise by the initial PHA.

The SPHA will bill 100% of the housing assistance payment, 100% of special claims and 80% of the administrative fee (at the initial PHA's rate) and any other HUD-approved fees, for each "portability" voucher leased as of the first day of the month.

The SPHA will notify the initial PHA of changes in subsidy amounts and will expect the initial PHA to notify the SPHA of changes in the administrative fee amount to be billed.

Chapter 14

CONTRACT TERMINATIONS

[24 CFR 982.311, 982.314]

INTRODUCTION

The Housing Assistance Payments (HAP) contract is the contract between the owner and the PHA which defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by the PHA and the owner, and the policies and procedures for such terminations.

A. CONTRACT TERMINATION [24 CFR 982.311]

The term of the HAP contract is the same as the term of the lease. The contract between the owner and the SPHA may be terminated by the SPHA, or by the owner or tenant terminating the lease.

No future subsidy payments on behalf of the family will be made by the SPHA to the owner after the month in which the contract is terminated. The owner must reimburse the SPHA for any subsidies paid by the SPHA for any period after the contract termination date.

If the family continues to occupy the unit after the Section 8 contract is terminated, the family is responsible for the total amount of rent due to the owner. The owner will have no right to claim compensation from the SPHA for vacancy loss under the provisions of certificate HAP contracts effective before October 2, 1995.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit.

B. TERMINATION BY THE FAMILY: MOVES [24 CFR 982.314(c)(2)]

Family termination of the lease must be in accordance with the terms of the lease. Mutual termination letters must be signed and dated by both the tenant and landlord with the effective date of the lease termination.

C. TERMINATION OF TENANCY BY THE OWNER: EVICTIONS [24 CFR 982.310, 982.455]

If the owner wishes to terminate the lease, the owner must provide proper notice as stated in the lease.

During the term of the lease, the owner may not terminate the tenancy except for the grounds stated in the HUD regulations.

During the term of the lease the owner may only evict for:

- Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;
- Violations of Federal, state or local law that imposes obligations on the tenant in connection with the occupancy or use of the premises; or criminal activity by the tenant, any member of the household, a guest or another person under the tenant's control that threatens the health, safety or right to peaceful enjoyment of the premises by the other residents, or persons residing in the immediate vicinity of the premises or any drug- related criminal activity on or near the premises.
- Other good cause.

During the initial term of the lease, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do (see 982.310)

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, at or before the commencement of the eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant.

The owner eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

Housing assistance payments are paid to the owner under the terms of the HAP Contract. If the owner has begun eviction and the family continues to reside in the unit, the SPHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

The SPHA will continue housing assistance payments until the family moves or is evicted from the unit.

The SPHA must continue making housing assistance payments to the owner in accordance with the Contract as long as the tenant continues to occupy the unit and the Contract is not violated. By endorsing the monthly check from the SPHA, the owner certifies that the tenant is still in the unit, the rent is reasonable and she/he is in compliance with the contract. The eviction notice must specify the cause for the eviction.

The SPHA requires that the owner specify the section of the lease that has been violated and cite some or all of the ways in which the tenant has violated that section as documentation for the SPHA termination of assistance.

If the action is finalized in court, the owner must provide the SPHA with the documentation, including notice of the lock-out date.

If the eviction is not due to a serious or repeated violation of the lease, and if the SPHA has no other grounds for termination of assistance, the SPHA will issue a new voucher so that the family can move with continued assistance.

D. TERMINATION OF THE CONTRACT BY SPHA [24 CFR 982.404(a), 982.453, 982.454, 982.552(a)(3)]

The term of the HAP contract terminates when the lease terminates, when the SPHA terminates program assistance for the family, and when the owner has breached the HAP contract. (See "Owner Disapproval and Restriction" chapter)

The SPHA may also terminate the contract if:

- The SPHA terminates assistance to the family.
- The family is required to move from a unit when the unit does not meet the HQS space standards because of an increase in family size or a change in family composition.
- Funding is no longer available under the ACC.

The contract will terminate automatically if 180 days have passed since the last housing assistance payment to the owner.

Notice of Termination

When the SPHA terminates the HAP contract under the violation of HQS space standards, the SPHA will provide the owner and family written notice of termination of the contract, and the HAP contract terminates at the end of the calendar month that follows the calendar month in which the SPHA gives such notice to the owner.

E. TERMINATION DUE TO OWNER DISAPPROVAL [24 CFR 982.453]

If the SPHA terminates the contract due to owner disapproval, the SPHA will provide the owner and family with at least thirty days (30) written notice of termination of the contract.

Chapter 15

DENIAL OR TERMINATION OF ASSISTANCE

[24 CFR 5.902, 5.902, 5.903, 5.905, 982.4, 982.54, 982.552, 982.553]

INTRODUCTION

The PHA may deny or 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, the grounds under which the PHA can deny or terminate assistance, and the PHA's informal hearing procedures. This chapter describes when the PHA is required to deny or terminate assistance, and the PHA's policies for the denial of a new commitment of assistance and the grounds for termination of assistance under an outstanding HAP contract.

A. GROUNDS FOR DENIAL/TERMINATION [24 CFR 982.54, 982.552, 982.553]

If denial or termination is based upon behavior resulting from a disability, the SPHA will delay the denial or termination in order to determine if there is an accommodation that would negate the behavior resulting from the disability.

Form of Denial/Termination

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on the SPHA waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a tenancy
- Refusing to process or provide assistance under portability procedures

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a tenancy
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

Mandatory Denial and Termination [24 CFR 982.54 (d), 982.552(b), 982.553(a), 982.553(b)]

The SPHA must deny assistance to applicants, and terminate assistance for participants if the family is under contract and 180 days (or 12 months, depending on the HAP contract used) have

elapsed since the SPHA's last housing assistance payment was made. (See "Contract Terminations" chapter.)

The SPHA must permanently deny assistance to applicants, and terminate the assistance of persons convicted of manufacturing or producing methamphetamine on the premises of federally assisted housing.

The SPHA must deny admission to the program for applicants, and terminate assistance for program participants if the SPHA determines that any household member is currently engaging in illegal use of a drug. See section B of this chapter for the PHA's established standards.

The SPHA must deny admission to the program for applicants, and terminate assistance for program participants if the SPHA determines that it has reasonable cause to believe that a household member's illegal drug use or a pattern of illegal drug use may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents. See Section B of this chapter for the PHA's established standards.

The SPHA must deny admission to an applicant if the SPHA determines that any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. See section B of this chapter for the SPHA's established standards regarding criminal background investigation and determining whether a member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

The SPHA must terminate program assistance for a family evicted from housing assisted under the program for serious violation of the lease. If any member of the family has been evicted from federally assisted housing for a serious violation of the lease, the SPHA must deny admission for 5 years after the eviction occurred.

The SPHA must deny admission to the program for an applicant or terminate program assistance for a participant if any member of the family fails to sign and submit consent forms for obtaining information in accordance with Part 5, subparts B and F.

The SPHA must deny admission or terminate assistance when required under the regulations to establish citizenship or eligible immigration status (if no member of the family is a US citizen or eligible immigrant.)

Grounds for Denial or Termination of Assistance [24 CFR 982.552(c)]

The SPHA may at any time deny program assistance for an applicant, or terminate program assistance for a participant, for any of the following reasons:

- o If any family member violates any family obligation under the program as listed in 24 CFR 982.551.
- o If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any drug-related criminal activity.
- o If any family member has violated the family obligation under 24 CFR 982.551 not to engage in any violent criminal activity.
- o Any member of the family has been evicted from public housing in the last 5 years.
- o If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- o The family currently owes rent or other amounts to the SPHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.
- o The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family breaches an agreement with a PHA to pay amounts owed to a PHA, or amounts paid to an owner by a PHA. The PHA at its discretion may offer the family the opportunity to enter into a repayment agreement. The PHA will prescribe the terms of the agreement. (See "Repayment Agreements" chapter.)

- o The family has engaged in or threatened abusive or violent behavior toward PHA personnel.

"Abusive or violent behavior towards PHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate, may be cause for termination or denial.

"Threatening" refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Actual physical abuse or violence will always be cause for termination.

- o The SPHA determines that there is reasonable cause to believe that a family member's pattern of illegal use of a controlled substance or abuse of alcohol may interfere with the health, safety or peaceful enjoyment of other residents.
- o If a family member is subject to a lifetime registration requirement under a State Sex Offender Registration Program.

Length of Denial of Assistance

Applicants will be banned for life from receiving program assistance for the following reasons:

- The family violated any family obligations under the program as listed in 24 CFR 982.551 while on the program with any PHA.
- Any member of the family has ever been evicted from public housing.
- The family had engaged in or threatened abusive or violent behaviors toward SPHA personnel.
- Persons who commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
- Persons who committed drug-related criminal activities or violent criminal activities while on the program.

Note: A person may reapply if after 5 years there are no further convictions and if they have demonstrated successful completion of a rehabilitation program approved by the SPHA.

Persons who currently owe rent or other amounts to the SPHA, or to another PHA in connection with Section 8 or the public housing assistance under 1937 Act will be banned from reapplying until the applicant has made full restitution to the applicable PHA.

Note: An applicant may reapply only if the SPHA's waiting list is open.

B. SCREENING AND TERMINATION FOR DRUG ABUSE AND OTHER CRIMINAL ACTIVITY

Purpose

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

- Help create and maintain a safe and drug-free community
- Keep our program participants free from threats to their personal and family safety
- Help maintain an environment where children can live safely, learn and grow up to be productive citizens

Administration

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

Screening of Applicants

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

other residents, and as required by 24 CFR 982, Subpart L and CFR Part 5, Subpart J, the SPHA will endeavor to screen applicants as thoroughly and fairly as possible for drug-related and violent criminal behavior.

Such screening will apply to any member of the household who is 18 years of age or older.

HUD Definitions

Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, and the activity is being engaged in by any family member.

Standard for Violation

The SPHA will deny participation in the program to applicants and terminate assistance to participants in cases where the SPHA determines there is reasonable cause to believe that a household member is illegally using a drug or if the person abuses alcohol in a way that may interfere with the health, safety or right to peaceful enjoyment of the premises by other residents, including cases where the SPHA determines that there is a pattern of illegal use of a drug or a pattern of alcohol abuse.

“Engaged in or engaging in” violent criminal activity means any act within the past 5 years by an applicant or participant or household member which involved criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property, which resulted in the arrest and conviction of the applicant, participant, or household member.

The existence of the above-referenced behavior by any household member, regardless of the applicant or participant’s knowledge of the behavior, shall be grounds for denial or termination of assistance.

Drug Related and Violent Criminal Activity

Ineligibility for admission if Evicted for Drug-Related Activity: Persons evicted from public housing, Indian housing, Section 23 or any Section 8 program because of drug-related criminal activity are ineligible for admission to the Section 8 program for a three year period beginning on the date of such eviction.

Applicants will be denied assistance if they have been:

- Convicted/evicted from a unit assisted under the Housing Act of 1937 due to violent criminal activity within the last 5 years prior to the date of the certification interview

The SPHA will also deny assistance to any applicant where the HA determines:

- The applicant is illegally using a controlled substance,
- There is reasonable cause to believe that an applicant abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents,
- There is reasonable cause to believe that the applicant's pattern of illegal use of a controlled substance may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents,
- There is reasonable cause to believe that the applicant's pattern of abuse of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

The SPHA may waive these policies if the applicant demonstrates to the SPHA's satisfaction that the applicant is no longer engaging in illegal use of a controlled substance or abuse of alcohol and:

- Has successfully completed a supervised drug or alcohol rehabilitation program;
- Has otherwise been rehabilitated successfully; or
- Is participating in a supervised drug or alcohol rehabilitation program.

The SPHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance.

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

- The person demonstrates successful completion of a credible rehabilitation program approved by the SPHA, or
- The circumstances leading to the eviction no longer exist.

Denial of Assistance for Sex Offenders

The SPHA will deny admission if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program. In screening applicants, the SPHA will perform criminal history background checks to determine whether any household member is subject to a lifetime sex offender registration requirement.

Termination of Assistance for Participants

Assistance will be terminated for participants who have been:

Convicted or evicted from a unit assisted under any Federally assisted housing program for drug-related or violent criminal activity during participation in the program, and within the last 5 years prior to the date of the notice to terminate assistance, and whose activities have created a disturbance in the building or neighborhood.

If the family violates the lease for drug-related or violent criminal activity, the SPHA will terminate assistance.

Notice of Termination of Assistance

In any case where the SPHA decides to terminate assistance to the family, the SPHA must give the family written notice which states:

1. The reason(s) for the proposed termination,
2. The effective date of the proposed termination,
3. The family's right, if they disagree, to request an Informal Hearing to be held before termination of assistance.
4. The date by which a request for an informal hearing must be received by the SPHA.

If the SPHA terminates for criminal activity as shown by a criminal record, the SPHA must provide the subject of the record and the tenant with a copy of the criminal record. The SPHA will simultaneously provide written notice of the contract termination to the owner so that it will coincide with the Termination of Assistance.

Required Evidence

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows

that the fact sought to be proved is more probable than not. The intent is not to prove criminal liability, but to establish that the act(s) occurred. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

The SPHA will pursue fact-finding efforts as needed to obtain credible evidence.

Confidentiality of Criminal Records

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

C. FAMILY OBLIGATIONS [24 CFR 982.551]

1. The family must supply any information that the SPHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR 982.551). "Information" includes any requested certification, release or other documentation.
2. The family must supply any information requested by the SPHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition in accordance with HUD requirements.
3. The family must disclose and verify Social Security Numbers (as provided by 24 CFR 5.216) and must sign and submit consent forms for obtaining information in accordance with 24 CFR 5.230.
4. All information supplied by the family must be true and complete.
5. The family is responsible for an HQS breach caused by the family as described in 982.404(b).
6. The family must allow the SPHA to inspect the unit at reasonable times and after reasonable notice.
7. The family may not commit any serious or repeated violations of the lease.
8. The family must notify the owner and, at the same time, notify the SPHA before the family moves out of the unit or terminates the lease upon notice to the owner.

9. The family must promptly give the SPHA a copy of any owner eviction notice.
10. The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
11. The composition of the assisted family residing in the unit must be approved by the SPHA. The family must promptly inform the SPHA of the birth, adoption or court- awarded custody of a child. The family must request SPHA approval to add any other family member as an occupant of the unit.
12. The family must promptly notify the SPHA, in writing within 10 days, if any family member no longer resides in the unit.
13. If the SPHA has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or SPHA approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
14. Members of the household may engage in legal profit-making activities in the unit, but only if such activities are incidental to primary use of the unit as a residence by members of the family.
15. The family must not sublease or let the unit.
16. The family must not assign the lease or transfer the unit.
17. The family must supply any information or certification requested by the SPHA to verify that the family is living in the unit, or relating to family absence from the unit, including any SPHA-requested information or certification on the purposes of family absences. The family must cooperate with the SPHA for this purpose. The family must promptly notify the SPHA of absence from the unit.
18. The family must not own or have any interest in the unit.
19. The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program.
20. The household members may not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents. Under 24 CFR 5.2005(c)(2), criminal activity directly related 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 tenancy, occupancy rights, or assistance of the victim, if the tenant or immediate family member of the tenant is the victim. The members of the household must not abuse alcohol in a way that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises.

21. An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, State or local housing assistance program.

Housing Authority Discretion [24 CFR 982.552(c)]

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, the SPHA has discretion to consider all of the circumstances in each case, including the seriousness of the case. The SPHA will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred. The SPHA may also review the family's more recent history and record of compliance and the effects that denial or termination of assistance may have on other family members who were not involved in the action or failure to act.

Enforcing Family Obligations

Explanations and Terms

The term "promptly" when used with the family obligations always means "within 10 days." Denial or termination of assistance is always optional except where this Plan or the regulations state otherwise.

HQS Breach

The inspector or supervisor will determine if an HQS breach as identified in 24 CFR 982.404 (b) is the responsibility of the family. Families may be given extensions to cure HQS breaches by the supervisor.

Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

- If the owner terminates tenancy through court action for serious or repeated violation of the lease.
- If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and the SPHA determines that the cause is a serious or repeated violation of the lease based on available evidence.
- If the owner notifies the family of termination of tenancy assistance for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action, and

- If there are police reports, neighborhood complaints or other third party information, that has been verified by the SPHA.

Notification of Eviction

If the family requests assistance to move and they did not notify the SPHA of an eviction within 10 days of receiving the Notice of Lease Termination, the move will be denied.

Proposed Additions to the Family

The SPHA will deny a family's request to add additional family members who are:

- Persons who have been evicted from public housing.
- Persons who have previously violated a family obligation listed in 24 CFR 982.551 of the HUD regulations.
- Persons who have been part of a family whose assistance has been terminated under the Certificate or Voucher program.
- Persons who commit drug-related criminal activity or violent criminal activity.
- Persons who do not meet the SPHA's definition of family.
- Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
- Persons who currently owe rent or other amounts to the SPHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.
- Persons who have engaged in or threatened abusive or violent behavior toward PHA personnel.

Family Member Moves Out

Families are required to notify the SPHA if any family member leaves the assisted household. When the family notifies the SPHA, they must furnish the following information:

- The date the family member moved out.
- The new address, if known, of the family member.
- A statement as to whether the family member is temporarily or permanently absent.

Limitation on Profit-Making Activity in Unit

If the business activity area results in the inability of the family to use any of the critical living areas, such as a bedroom utilized for a business which is not available for sleeping, it will be considered a violation. If the SPHA determines that the use of the unit as a business is not incidental to its use as a dwelling unit, it will be considered a program violation. If the PHA determines the business is not legal, it will be considered a program violation.

Interest in Unit

The owner may not reside in the assisted unit regardless of whether (s)he is a member of the assisted family, unless the family owns the mobile home and rents the pad.

D. PROCEDURES FOR NON-CITIZENS [24 CFR 5.514, 5.516, 5.518]

Denial or Termination due to Ineligible Immigrant Status

Applicant or participant families in which all members are neither U.S. citizens nor eligible immigrants are not eligible for assistance and must have their assistance terminated. The SPHA must offer the family an opportunity for a hearing. (See "Eligibility for Admission" chapter, section on Citizenship/Eligible Immigration Status.)

Assistance may not be terminated while verification of the participant family's eligible immigration status is pending.

False or Incomplete Information

When the SPHA has clear, concrete, or substantial documentation (such as a permanent resident card or information from another agency) that contradicts the declaration of citizenship made by an applicant or participant, an investigation will be conducted and the individual will be given an opportunity to present relevant information.

If the individual is unable to verify their citizenship, the SPHA may give him/her an opportunity to provide a new declaration as an eligible immigrant or an opportunity to elect not to contend their status.

The SPHA will deny or terminate assistance based on the submission of false information or misrepresentation.

Procedure for Denial or Termination

If the family (or any member) claimed eligible immigrant status and the INS primary and secondary verifications failed to document the status, the family may make an appeal to the INS and request a hearing with the SPHA either after the INS appeal or in lieu of the INS appeal.

After the SPHA has made a determination of ineligibility, the family will be notified of the determination and the reasons and informed of the option for prorated assistance (if applicable).

E. ZERO (\$0) ASSISTANCE TENANCIES [24 CFR 982.455 (a)]

The family has no liability for unpaid rent or damages, and the family may remain in the unit at \$0 assistance for up to 180 days after the last HAP payment. If the family is still in the unit after 180 days, the assistance will be terminated. If, within the 180-day timeframe, an owner rent increase or a decrease in the Total Tenant Payment causes the family to be eligible for a housing assistance payment, the SPHA will resume assistance payments for the family.

In order for a family to move to another unit during the 180 days, the rent for the new unit would have to be high enough to necessitate a housing assistance payment.

**F. OPTION NOT TO TERMINATE FOR MISREPRESENTATION
[24 CFR 982.551, 982.552(c)]**

If the family has misrepresented any facts that caused the SPHA to overpay assistance, the SPHA may choose not to terminate and may offer to continue assistance provided that the family executes a Repayment Agreement and makes payments in accordance with the agreement or reimburses the SPHA in full.

**G. MISREPRESENTATION IN COLLUSION WITH OWNER
[24 CFR 982.551, 982.552 (c)]**

If the family willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, the SPHA may deny or terminate assistance.

In making this determination, the SPHA will carefully consider the possibility of overt or implied intimidation of the family by the owner and the family's understanding of the events.

H. MISSED APPOINTMENTS AND DEADLINES [24 CFR 982.551, 982.552 (c)]

It is a Family Obligation to supply information, documentation, and certification as needed for the SPHA to fulfill its responsibilities. The SPHA schedules appointments and sets deadlines in order

to obtain the required information. The Obligations also require that the family allow the SPHA to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline without notifying the SPHA, may be sent a Notice of Denial or Termination of Assistance for failure to provide required information, or for failure to allow the SPHA to inspect the unit.

The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan.

Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Eligibility for Admissions
- Verification Procedures
- Voucher Issuance and Briefings
- Housing Quality Standards and Inspections
- Recertifications
- Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency
- Incarceration
- Family emergency

Procedure when Appointments are Missed or Information not Provided

For most purposes in this Plan, the family will be given 2 opportunities before being issued a notice of termination or denial for breach of a family obligation.

After issuance of the termination notice, if the family offers to correct the breach within the time allowed to request a hearing:

- The notice will be rescinded if the family offers to cure and the family does not have a history of non-compliance.

Chapter 16

OWNER DISAPPROVAL AND RESTRICTION

[24 CFR 982.54, 982.306, 982.453]

INTRODUCTION

It is the policy of the PHA to recruit owners to participate in the voucher program. The PHA will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of the PHA. The regulations define when the PHA must disallow an owner participation in the program, and they provide the PHA discretion to disapprove or otherwise restrict the participation of owners in certain categories. This chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

A. DISAPPROVAL OF OWNER [24 CFR 982.306, 982.54(d)(8)]

The SPHA will conduct background searches on all applying landlords through the Florida Department of Law Enforcement and will charge a fee commensurate with the cost of providing the check. A history of five (5) years will be reviewed. The owner does not have a right to participate in the program. For purposes of this section, "owner" includes a principal or other interested party.

The SPHA will disapprove the owner for the following reasons:

- HUD or other agency directly related has informed the SPHA that the owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- HUD has informed the SPHA that the Federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other Federal equal opportunity requirements and such action is pending.
- HUD has informed the SPHA that a court or administrative agency has determined that the owner has violated the Fair Housing Act or other Federal equal opportunity requirements.
- Unless their lease was effective prior to June 17, 1998, the owner may not be a parent, child, grandparent, grandchild, sister or brother of any family member. The PHA will waive this restriction as a reasonable accommodation for a family member who is a person with a disability.
- In cases where the owner and tenant bear the same last name, the SPHA may, at its discretion, require the family and or owner to certify whether they are related to each other in any way.
- The owner has violated obligations under a housing assistance payments contract under

Section 8 of the 1937 Act (42 U.S.C. 1437f).

- The owner has committed fraud, bribery or any other corrupt act in connection with any Federal housing program.
- The owner has engaged in drug-related criminal activity or any violent criminal activity.
- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other Federal housing program.
- The owner has a history or practice of renting units that fail to meet State or local housing codes.
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - Threatens the right to peaceful enjoyment of the premises by other residents;
 - Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing.
 - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or
 - Is drug-related criminal activity or violent criminal activity;
- The owner has not paid State or local real estate taxes, fines or assessments.

B. OWNER RESTRICTIONS AND PENALTIES [24 CFR 982.453]

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, the SPHA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The SPHA may also terminate some or all contracts with the owner.

Before imposing any penalty against an owner the SPHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

The SPHA guidelines for restrictions are contained in the table below:

DISAPPROVAL OF OWNERS/PARTICIPATION RESTRICTIONS

<u>Breach</u>	<u>Penalty</u>
HUD notification of owner disbarment/suspension	Termination
HUD notification of violation of fair housing federal equal opportunity	Termination
Violation of contract obligations	Termination
Owner fraud, bribery or other corrupt act in a Federal housing program	Termination/ Debarment
Owner engaged in drug trafficking	Termination/ Debarment
History of noncompliance with HQS	Termination/ Debarment
History of renting units below code	Termination
State/local real estate taxes, fines or assessments	Termination
Drug related or violence criminal activity	Termination/ Debarment

C. OTHER REMEDIES FOR OWNER VIOLATIONS

Overpayments

If the landlord has been overpaid as a result of fraud, misrepresentation or violation of the Contract, the SPHA may terminate the Contract and arrange for restitution to the SPHA and/or family as appropriate.

The SPHA will make every effort to recover any overpayments made as a result of landlord fraud or abuse. Payments otherwise due to the owner may be debited in order to repay the SPHA or the tenant, as applicable.

Chapter 17

OWNER OR FAMILY DEBTS TO THE PHA

[24 CFR
982.552]

INTRODUCTION

This chapter describes the PHA's policies for the recovery of monies which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is the PHA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support the PHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner, the family or other interested parties.

When families or owners owe money to the PHA, the PHA will make every effort to collect it. The PHA will use a variety of collection tools to recover debts including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Repayment agreements
- Abatements
- Reductions in HAP to owner
- Collection agencies
- Credit bureaus
- Income tax set-off programs

A. **REPAYMENT AGREEMENT FOR FAMILIES** [24 CFR 982.552 (c)(v-vii)]

A Repayment Agreement as used in this Plan is a document entered into between the SPHA and a person who owes a debt to the SPHA. It is similar to a promissory note, but contains more details regarding the nature of the debt, the terms of payment, any special provisions of the agreement, and the remedies available to the SPHA upon default of the agreement.

The following outline defines the SPHA Repayment Agreement process as amended;

- The initial recoupment calculation worksheet with the file is forwarded to the
- Compliance Department for review.

- The file is returned to the respective Housing Specialist by the Compliance Department with a copy of the Repayment Agreement. The Housing Specialist then prepares a “Notice of Termination” letter for unreported income within the next 48 hours and present to the Housing Choice Voucher Officer or designee for review (i.e., grammar, amount, dates) and approval.
- Once approved, the Documentation Specialist mails the termination letter to the tenant/family and delivers the file to the Compliance Department for creation of the Fraud File.
- Upon request by the tenant/family notified of termination, the Compliance Department shall schedule a hearing. At the hearing the Housing Authority, at its discretion, may offer the tenant/family the Repayment Agreement to be signed on this date by both the Tenant/Family and a SPHA representative. **The maximum length of time the SPHA will enter into a payment agreement with a tenant/family will be determined by the amount of debt the family owes to SPHA.** If the debt is paid before the hearing date, the hearing is dismissed.
- If a hearing is **NOT** requested by the tenant/family, the tenant file will be returned to the Housing Specialist by the Compliance Department to send a Final Termination letter to the tenant/family.
- The Fraud File shall be retained by the Compliance Department to enter and post the information on HUD’s EIV database as debts owed to a housing authority.

Late Payments

A payment will be considered to be in arrears if the payment has not been received by the close of the business day on which the payment was due. If the due date is on a weekend or holiday, the due date will be at the close of the next business day.

If the family's repayment agreement is in arrears, the SPHA may:

- Require the family to pay the balance in full
- Pursue civil collection of the balance due
- Terminate the housing assistance
- Grant an extension of 10 days

If the family requests a move to another unit, the family will be required to pay the balance of the repayment agreement in full prior to the issuance of a voucher.

Repayment Schedule for Monies Owed to the SPHA

The tenant's monthly payment will be what the tenant can afford to pay based on the family's income. The monthly payment plus the amount of the tenant's total tenant payment (TTP) at the time the repayment agreement is executed should not exceed 40 percent of the family's monthly adjusted income. The monthly payment may exceed 40 percent of the family's monthly adjusted income if the family agrees to the amount stated in the repayment agreement. The time period for a repayment agreement is determined by the amount of debt the family owes to SPHA.

There are some circumstances in which the SPHA may not, or may choose to not enter into a repayment agreement. They are:

- If the family already has a Repayment Agreement in place.
- If the SPHA determines that the family committed program fraud.
- If the family has a documented history of failure to report income timely which has resulted in repeated (2 or more) Repayment Agreements.

Guidelines for Repayment Agreements

Repayment Agreements will be executed between the SPHA and the head of household and spouse.

Monthly payments may be decreased in cases of hardship with the prior notice of the family, verification of the hardship, and the approval of the supervisor.

No move will be approved until the debt is paid in full unless the move is the result of one of the following causes, and payments on the Repayment Agreement are current:

- Family size exceeds the HQS maximum occupancy standards or family is over-housed due to change in family size.
- The HAP contract is terminated due to owner non-compliance or opt-out
- A natural disaster

Additional Monies Owed: If the family has a Repayment Agreement in place and incurs an additional debt to the SPHA:

- Additional amounts owed by the family may be added to the existing repayment agreement as long as the total amount owed does not exceed the limits outlined earlier in this chapter.

- If a Repayment Agreement is in arrears more than 15 days, any new debts must be paid in full.

B. DEBTS DUE TO MISREPRESENTATIONS/NON-REPORTING OF INFORMATION [24 CFR 982.163]

HUD's definition of program fraud and abuse is a single act or pattern of actions that: Constitutes false statement, omission, or concealment of a substantive fact, made with intent to deceive or mislead, and that results in payment of Section 8 program funds in violation of Section 8 program requirements.

Family Error/Late Reporting

Families who owe money to the SPHA due to the family's failure to report increases in income will be required to repay in accordance with the payment procedures for program fraud, below.

Program Fraud

Families who owe money to the SPHA due to program fraud will be required to pay in accordance with the payment procedures for program fraud, below.

If a family owes an amount which equals or exceeds \$1,000.00 as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, the SPHA will refer the case for criminal prosecution.

Repayment Procedures for Program Fraud

Families who commit program fraud or untimely reporting of increases in income will be subject to the following procedures:

- The duration of the agreement will not exceed the duration of the violation.
- The maximum time period for a Payment Agreement will be determined by the amount of debt the family owes to SPHA.
- The minimum monthly payment will be \$10.00.

C. OWNER DEBTS TO THE PHA [24 CFR 982.453(b)]

If the SPHA determines that the owner has retained housing assistance or claim payments the owner is not entitled to, the SPHA may reclaim the amounts from future housing assistance or claim payments owed the owner for any units under contract.

If future housing assistance or claim payments are insufficient to reclaim the amounts owed, the

SPHA will:

- Require the owner to pay the amount in full within 30 days.
- Enter into a payment agreement with the owner for the amount owed.
- Pursue collections through the local court system.
- Restrict the owner from future participation.

D. WRITING OFF DEBTS

Debts will be written off if:

- The debtor's whereabouts are unknown and the debt is more than 2 years old.
- A determination is made that the debtor is judgment proof.
- The debtor is deceased.
- The debtor is confined to an institution indefinitely or for more than 2 years.
- The amount is less than \$200.00, and the debtor cannot be located.

Chapter 18

COMPLAINTS AND APPEALS

INTRODUCTION

The informal hearing requirements defined in HUD regulation are applicable to participating families who disagree with an action, decision, or inaction of the PHA. This chapter describes the policies, procedures and standards to be used when families disagree with a PHA decision. The procedures and requirements are explained for preference denial meetings, informal reviews and hearings. It is the policy of the PHA to ensure that all families have the benefit of all protections due to them under the law.

A. COMPLAINTS TO THE PHA

The SPHA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints will be documented. The SPHA may require that complaints other than HQS violations be put in writing. HQS complaints may be reported by telephone.

Categories of Complaints

Complaints from families: If a family disagrees with an action or inaction of the SPHA or owner.

- Complaints from families will be referred to a supervisor.

Complaints from owners: If an owner disagrees with an action or inaction of the SPHA or a family.

- Complaints from owners will be referred to a supervisor.

Complaints from staff: If a staff person reports an owner or family either violating or not complying with program rules.

- Complaints from staff will be referred to a supervisor.

Complaints from the general public: Complaints or referrals from persons in the community in regard to the SPHA, a family or an owner.

- Complaints from the general public will be referred to a supervisor.

B. PREFERENCE DENIALS

When the SPHA denies a preference to an applicant, the family will be notified in writing of the specific reason for the denial and offered the opportunity for a meeting with SPHA staff to discuss the reasons for the denial and to dispute the SPHA's decision.

The person who conducts the meeting will be:

- Any officer or employee of the SPHA except the person who made or approved the decision or a subordinate of those persons.

C. INFORMAL REVIEW PROCEDURES FOR APPLICANTS

[24 CFR 982.54(d)(12), 982.554]

Reviews are provided for applicants who are denied assistance before the effective date of the HAP contract. The exception is that when an applicant is denied assistance for citizenship or eligible immigrant status, the applicant is entitled to an informal hearing.

When the SPHA determines that an applicant is ineligible for the program, the family must be notified of their ineligibility in writing. The notice must contain:

1. The reason(s) they are ineligible
2. The procedure for requesting a review if the applicant does not agree with the decision
3. The time limit for requesting a review

The SPHA must provide applicants with the opportunity for an informal review of decisions denying:

- Qualification for preference
- Listing on the SPHA's waiting list
- Issuance of a voucher
- Participation in the program

Informal reviews are not required for established policies and procedures and SPHA determinations such as:

- Discretionary administrative determinations by the SPHA
- General policy issues or class grievances
- A determination of the family unit size under the SPHA subsidy standards
- Refusal to extend or suspend a voucher
- Disapproval of lease
- Determination that unit is not in compliance with HQS
- Determination that unit is not in accordance with HQS due to family size or composition

Procedure for Review

A request for an informal review must be received in writing by the close of the business day, no later than 10 days from the date of the SPHA's notification of denial of assistance. The informal review will be scheduled within 15 days from the date the request is received.

The informal review may not be conducted by the person who made or approved the decision under review, nor a subordinate of such person.

The review may be conducted by:

- A supervisory level staff person
- An individual from outside the SPHA

The applicant will be given the option of presenting oral or written objections to the decision. Both the SPHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

The review may be conducted by mail and/or telephone if acceptable to both parties.

A notice of the review findings will be provided in writing to the applicant within 15 days after the review. It shall include the decision of the review officer, and an explanation of the reasons for the decision.

All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

D. INFORMAL HEARING PROCEDURES [24 CFR 982.555(a-f), 982.54(d)(13)]

The SPHA will provide a copy of the hearing procedures in the family briefing packet.

When the SPHA makes a decision regarding the eligibility and/or the amount of assistance, applicants and participants must be notified in writing. The SPHA will give the family prompt notice of such determinations which will include:

- The proposed action or decision of the SPHA
- The date the proposed action or decision will take place
- The family's right to an explanation of the basis for the SPHA's decision
- The procedures for requesting a hearing if the family disputes the action or decision
- The time limit for requesting the hearing
- To whom the hearing request should be addressed
- A copy of the SPHA's hearing procedures

When terminating assistance for criminal activity as shown by a criminal record, the SPHA will provide the subject of the record and the tenant/participant with a copy of the criminal record upon which the decision to terminate was based.

The SPHA must provide participants with the opportunity for an informal hearing for decisions related to any of the following SPHA determinations:

- Determination of the family's annual or adjusted income and the computation of the housing assistance payment
- Appropriate utility allowance used from schedule
- Family unit size determination under SPHA subsidy standards
- Determination to terminate assistance for any reason
- Determination that program family is under occupied in their current unit and a request for exception is denied

- Determination to terminate a family's FSS contract, withhold supportive services, or propose forfeiture of the family's escrow account

The SPHA must always provide the opportunity for an informal hearing before termination of assistance. A request for an informal review must be received in writing by the close of the business day, no later than 10 days from the date of the SPHA's notification of termination of assistance.

Informal hearings are not required for established policies and procedures and SPHA determinations such as:

- Discretionary administrative determinations by the SPHA
- General policy issues or class grievances
- Establishment of the SPHA schedule of utility allowances for families in the program
- An SPHA determination not to approve an extension or suspension of a voucher term
- An SPHA determination not to approve a unit or lease
- An SPHA determination that an assisted unit is not in compliance with HQS (SPHA must provide hearing for family breach of HQS because that is a family obligation determination)
- An SPHA determination that the unit is not in accordance with HQS because of the family size
- An SPHA determination to exercise or not exercise any right or remedy against the owner under a HAP contract

Notification of Hearing

It is the SPHA's objective to resolve disputes at the lowest level possible, and to make every effort to avoid the most severe remedies. However, if this is not possible, the SPHA will ensure that applicants and participants will receive all of the protections and rights afforded by the law and the regulations.

When the SPHA receives a request for an informal hearing, a hearing shall be scheduled within 15 days. The notification of hearing will contain:

1. The date and time of the hearing

2. The location where the hearing will be held
3. The family's right to bring evidence, witnesses, legal or other representation at the family's expense
4. The right to view any documents or evidence in the possession of the SPHA upon which the SPHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing.
5. A notice to the family that the SPHA will request a copy of any documents or evidence the family will use at the hearing. Requests for such documents or evidence must be received no later than 10 days before the hearing date.

When the SPHA does not receive a request for an informal hearing, the termination will become automatic.

The SPHA's Hearing Procedures

After a hearing date is scheduled, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the PHA within 24 hours, excluding weekends and holidays. The SPHA will reschedule the hearing only if the family can show good cause for the failure to appear.

Families have the right to:

- Present written or oral objections to the SPHA's determination.
- Examine the documents in the file which are the basis for the SPHA's action, and all documents submitted to the Hearing Officer;
- Copy any relevant documents at their expense;
- Present any information or witnesses pertinent to the issue of the hearing;
- Request that SPHA staff be available or present at the hearing to answer questions pertinent to the case; and
- Be represented by legal counsel, advocate, or other designated representative at their own expense.

If the family requests copies of documents relevant to the hearing, the SPHA will make the copies for the family and assess a charge of \$.15 per copy. In no case will the family be allowed to remove the file from the SPHA's office.

In addition to other rights contained in this Chapter, the SPHA has a right to:

- Present evidence and any information pertinent to the issue of the hearing;
- Be notified if the family intends to be represented by legal counsel, advocate, or another party;
- Examine and copy any documents to be used by the family prior to the hearing;
- Have its attorney present; and
- Have staff persons and other witnesses' familiar with the case present.

The informal hearing shall be conducted by the Hearing Officer appointed by the SPHA who is neither the person who made or approved the decision, nor a subordinate of that person. The SPHA appoints hearing officers who:

- Are SPHA commissioners or are SPHA management; or
- Are managers from other departments in the government of the jurisdiction; or
- Are managers from other PHAs; or
- Are professional mediators or arbitrators [employed by the county Bar Association/a mediation, dispute resolution, or arbitration service].

The hearing shall concern only the issues for which the family has received the opportunity for hearing. Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

No documents may be presented which have not been provided to the other party before the hearing if requested by the other party. "Documents" includes records and regulations.

The family must request an audio recording of the hearing, if desired, 5 days prior to the hearing date.

The Hearing Officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision.

If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the SPHA shall take effect and another hearing will not be granted.

The Hearing Officer will determine whether the action, inaction or decision of the SPHA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the hearing findings shall be provided in writing to the SPHA and the family within 10 days and shall include:

1. A clear summary of the decision and reasons for the decision;
2. If the decision involves money owed, the amount owed; and
3. The date the decision goes into effect.

The SPHA is not bound by hearing decisions:

1. Which concern matters in which the SPHA is not required to provide an opportunity for a hearing
2. Which conflict with or contradict to HUD regulations or requirements;
3. Which conflict with or contradict Federal, State or local laws; or
4. Which exceed the authority of the person conducting the hearing.

The SPHA shall send a letter to the participant if it determines the SPHA is not bound by the Hearing Officer's determination within 5 days. The letter shall include the SPHA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

E. HEARING AND APPEAL PROVISIONS FOR "RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS" [24 CFR Part 5, Subpart E]

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of the decision on the INS appeal.

Assistance to a family may not be terminated or denied while the SPHA hearing is pending but assistance to an applicant may be delayed pending the SPHA hearing.

INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, the SPHA notifies the applicant or participant within ten days of their right to appeal to the INS within thirty days or to request an informal hearing with the SPHA either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give the SPHA a copy of the appeal and proof of mailing or the SPHA may proceed to deny or terminate. The time period to request an appeal may be extended by the SPHA for good cause.

The request for an SPHA hearing must be made within fourteen days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within fourteen days of receipt of that notice.

After receipt of a request for an informal hearing, the hearing is conducted as described in this chapter for both applicants and participants. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the SPHA will:

- Deny the applicant family
- Defer termination if the family is a participant and qualifies for deferral
- Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, the SPHA will offer to prorate assistance or give the family the option to remove the ineligible members.

All other complaints related to eligible citizen/immigrant status:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.

- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
- Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of tenant rent and Total Tenant Payment.
- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

F. MITIGATING CIRCUMSTANCES FOR APPLICANTS/PARTICIPANTS WITH DISABILITIES [24 CFR 982.204, 982.552(c)]

When applicants are denied placement on the waiting list, or the SPHA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the informal review process.

Examples of mitigating circumstances are: a) A person with a cognitive disorder may not have understood the requirement to report increases in income, b) A person may not understand the need to make regular repayments on a promissory note, c) Minor criminal records for public drunkenness may be due to medication; prior incarcerations for being disorderly may be emotional disorder.

Chapter 19

PORTABILITY

19.1 CHAPTER OVERVIEW

An eligible family that has been issued a housing choice voucher by the SPHA may use that voucher to lease a unit anywhere in the United States where there is a housing agency operating a housing choice voucher program. This feature of the program is referred to as portability. This chapter describes eligible families and the procedures for moving from one jurisdiction to another using portability.

The housing authority that issues the voucher to a portable family that wants to move to a different jurisdiction is referred to as the “Initial” housing authority. The housing authority in the jurisdiction to which the family wishes to relocate is called the “Receiving” housing authority. This chapter describes the responsibilities of the Initial housing authority and the Receiving housing authority and the policies of the respective housing authorities that apply to the family.

19.2 PROVIDING THE FAMILY INFORMATION ABOUT PORTABILITY

Housing authorities are required to inform families about portability. The oral presentation at each voucher briefing must include information about where a family may lease including information about portability. The briefing packet provided to families also must include information about portability opportunities and procedures.

Housing authorities are expected to describe the portability choices that may help families move to neighborhoods, including those in nearby jurisdictions, with lower poverty and minority concentrations and nearby job opportunities.

Housing authorities should use maps to illustrate areas where there are housing opportunities outside areas of poverty and minority concentration. These areas should include areas beyond the Housing authority jurisdiction when housing opportunities in other jurisdictions may provide good alternatives to impacted neighborhoods. The briefing packet should include a list of the Housing Authorities in all of the neighboring jurisdictions with the name, address, and telephone of the portability contact person at each agency.

During the briefing, the housing authority can communicate the possible advantages and some of the challenges of portability.

The housing authority may want to emphasize the flexibility that portability provides for those who need to relocate with assistance to follow job opportunities in a new location, select the best school districts, or be near family members or child care providers. In this way, portability allows a family with housing subsidies the same choices available to others in the community.

However, families may also need to think about some of the possible difficulties they could encounter in moving to a new location. A family moving to a distant location, who has vacated one unit before locating a new one, could find a tight housing market with few available units and end up with no assistance if the term of the portable voucher expires before the family locates a new home.

Families should also be aware that the portability procedures at the Receiving housing authority could be different from those at the Initial housing authority. It will be important to remind them that they need to seek information and pay close attention to portability requirements at both housing authorities.

19.3 DETERMINING FAMILY ELIGIBILITY

Program Requirements for Families New to the Housing Voucher Program

A family that has not yet leased a unit under the housing choice voucher program is eligible for portability if the head of household or spouse was a resident of the housing authority jurisdiction at the time the application for assistance was submitted. A “resident”, for the purpose of determining eligibility for portability, is a person who has a legal domicile in the jurisdiction.

A non-resident family will be required to initially lease a unit with its housing choice voucher in the SPHA or issuing housing authority jurisdiction. However, the Initial housing authority has the authority, but no obligation, to allow a new voucher holder that was not living in its jurisdiction at the time of application to exercise portability. The Initial housing authority may decide to allow portability similar records are acceptable forms of documentation for a family new to its jurisdiction in certain instances, such as when the move would respond to a special family need but not allow such moves in other instances. It is important for the housing authority to document the reasons for discretionary decisions to avoid any perception of discrimination.

VERIFYING RESIDENCY

The Initial housing authority will need documentation that the household was a resident at the time of application. A lease, school records, a voter registration or similar records are acceptable forms of documentation.

A regular admissions family exercising portability when it uses its voucher for the first time must be within the application income limits for the jurisdiction in which the family initially leases a unit. If the family is issued a voucher under a Special Admission, the income limits dictating eligibility for the special admission voucher are applicable for the jurisdiction in which the family initially leases a unit.

Program Requirements for Participant Families

A participant family electing to move to another jurisdiction with its voucher is eligible to do so but only when the family is able to move out of its current program unit under the terms of the family’s lease. A family is not eligible for portability if the family has moved out of its assisted unit in violation of the lease.

When a participant family chooses to move using portability, the Initial housing authority should review the family's lease to determine the termination provisions and the length of notice required. The housing authority should review a copy of the family's written notice to the owner of its intention to vacate. If the owner has agreed to an early lease termination, the housing authority may require a written statement from the owner.

Income limits do not affect the eligibility of a participant family exercising portability; however, the family's TTP must be less than the payment standard at the receiving housing authority for the family to lease within that housing authority jurisdiction.

19.4 Initial Housing Authority Responsibilities

The Initial housing authority determines eligibility for the housing choice voucher program based on its admission policies. The family is expected to initiate the portability process by informing the Initial housing authority of its interest in moving to another jurisdiction (porting out).

After the family announces its interest in portability, the Initial housing authority must provide the family with information to help it contact the housing authority in the jurisdiction where the family wishes to live. If this will be the family's first lease under the housing choice voucher program, the Initial housing authority must also compare the family's income to the applicable-income limit (typically the very low-income limit) for the community where the family wants to move and determine if the family will be able to lease up in that jurisdiction. Addresses and telephone numbers for housing authorities around the country are available on HUD's web site:

www.hud.gov. Income limits are available at www.huduser.org.

The Initial housing authority must: 1) contact the Receiving housing authority to alert that agency to expect the family; and 2) send the receiving housing authority a completed form HUD-52665, Family Portability Information form. The portability information form has two parts: Part I is completed by the Initial housing authority and Part II by the Receiving housing authority. Copies of the family's voucher, the current form HUD-50058 and supporting income verifications must be attached to the portability form. The receiving housing authority may request but not require additional information. The housing authority may transmit these documents by facsimile machine.

The housing authority initiating the transmittal maintains copies of all documents.

Selecting the Receiving housing authority: When there is more than one housing authority administering a housing choice voucher program within the jurisdiction where the portable families wants to move and the family has no preference choice, the Initial housing authority has the authority to select the Receiving housing authority.

Providing more than the required information: when transmitting the form HUD-52665: although not required, it may be helpful to the family, the receiving housing authority, and the Initial housing authority to provide INS verification of citizenship and information from a criminal background check to the receiving housing authority. Providing this information will require disclosure to the family. Some states limit what information from a criminal background check may be shared.

SELECTING THE RECEIVING HOUSING AUTHORITY

When there are two or more housing authorities operating within the jurisdiction where the portable family wishes to lease, the Initial housing authority will want to select the housing authority that will provide the best and speediest service to both the family and the Initial housing authority. Many housing authorities are familiar with the operations at housing authorities in neighboring jurisdictions and staff can make a selection easily. However, when a family moves further away, staff may have no information about the efficiency of an agency's portability procedures. To obtain useful information, staff may contact the local HUD field office or staff at other housing authorities in the region.

The Initial housing authority may also want to know the policies relevant to absorbing or administering portable families at the possible receiving housing authorities. If the Initial housing authority is concerned about its utilization rate, it may wish to select a Receiving housing authority that will bill the Initial housing authority. On the other hand, if the new jurisdiction is distant from the Initial jurisdiction, or the housing authority prefers to avoid billing procedures, a housing authority that elects to absorb might be preferable.

Monitoring families searching in other communities :

It is helpful to know the number and status of families searching in other communities who may eventually lease up. Exhibit 19-1, *Outgoing Portability* is a processing log for tracking families searching elsewhere. The log can be maintained manually or electronically. The suggested format includes information about procedures completed by both the Initial and the receiving housing authorities. The log provides the following:

- Participant name
- The Initial housing authority housing voucher expiration date
- Receiving housing authority name, address, telephone, and fax numbers
- Date forms HUD-50058 and HUD-52665 were sent to the Receiving housing authority
- Date the form HUD-52665 is received informing the Initial housing authority that the family has leased a unit
- The date six months after the housing voucher issuance, when the Receiving housing authority must absorb the family if it has not billed for the family
- Indication whether the Receiving housing authority has decided to absorb or administer the family's subsidy
- The date indicating that the family's portability effort has come to a conclusion.
- Receipt of the form HUD-52665, indicating that the family has leased and the billing has begun, or information that the Receiving housing authority will absorb the family, or expiration of the housing voucher term and any extensions without a lease would all result in a conclusion of the need to track the family's portability.

19.4 POLICIES APPLICABLE UNDER PORTABILITY

¹ *Applicable Initial Housing Authority Policies*

- Applicant selection and admission policies

Applicable Receiving Housing Authority Policies

- Income limit applicable to any family executing its first lease under the voucher program (typically the very low-income limit)
- Voucher payment standards
- Subsidy standards
- Extensions available for searchers
- Suspension of voucher term after submission of request for tenancy approval
- Policies and procedures related to annual and ongoing functions

19.5 Receiving Housing Authority Responsibilities

When the family arrives at the Receiving housing authority office, the Receiving housing authority issues the family a housing choice voucher to enable the family to search in its jurisdiction. The housing choice voucher the Receiving housing authority issues may not expire before the expiration date established by the Initial housing authority. For extensions to the housing choice voucher term and the processing of requests for tenancy approval, however, the Receiving housing authority policies apply. In addition, the Receiving housing authority uses its own policies to determine the appropriate unit size for a family moving into its jurisdiction.

The Receiving housing authority must inform the Initial housing authority immediately whether it will absorb or administer the family's housing choice voucher assistance and if it approves an extension to the voucher term or changes the unit size of the family's voucher.

The Receiving housing authority payment standards are used when the portable family leases a unit. The family will need to be informed of the receiving Housing authority policies and payment standards before it begins its search.

The Receiving housing authority may require the family to participate in a briefing and cooperate in a reexamination of income but may not unduly delay the family's housing search. It would not be reasonable, for example, to require the family to wait for a monthly briefing that was not scheduled for another three weeks. The Receiving housing authority may delay leasing activities only to receive verification of information related to income eligibility.

If the family locates and leases a unit, the Receiving housing authority must complete form HUD-52665 and send it to the Initial housing authority housing authority with the form HUD 50058 within ten days. When the portable family has been searching while still under HAP contract in its

Initial jurisdiction it is especially important that this communication take place within the required ten days to be sure the current HAP with the Initial housing authority is terminated at the appropriate time.

Unless the family is absorbed by the Receiving housing authority, the Receiving housing authority will report the family's lease-up information to HUD's Multifamily Tenant Characteristic's System (MTCS) as a "port- in". The Initial housing authority will report the family to MTCS as a port-out. If the family has been absorbed, the Initial housing authority reports the family to MTCS as a move-out; the Receiving housing authority reports the family as a new admission.

It is always essential for the Receiving housing authority to notify the Initial housing authority at the earliest possible date of any activity related to the family's search. If the family's housing choice voucher expires without the family leasing a unit, the Initial housing authority needs to know. The example of a family still under lease in the Initial jurisdiction is again a good case in point: the Initial housing authority needs the information if payments to the current landlord should be continued.

Occasionally, a family from one jurisdiction, searches in a second, and decides to try to move to a third jurisdiction. Shopping around from one jurisdiction to another presents no problem if *Portability* paperwork flows properly. It is important that the family understands that the housing authority that issued its first housing voucher will continue to be the Initial housing authority. It is also important that the Initial housing authority be informed of the family's decisions and activities.

The Receiving housing authority may contact the Initial housing authority and, with permission, forward the original portability packet to a "new" Receiving housing authority; or the family may return to the Initial housing authority to be "forwarded" to a second Receiving housing authority. The Receiving housing authority should never forward the original portability packet without the Initial housing authority permission.

Decision to Absorb or Administer

The Receiving housing authority has the option to ***administer*** the subsidy for the Initial housing authority or to ***absorb*** the portable family into its own housing choice voucher program.

If the Receiving housing authority decides to administer the Initial housing authority housing choice voucher assistance, the housing assistance for the portable family comes from the Initial housing authority housing choice voucher allocation. The receiving housing authority bills the Initial housing authority for the full housing assistance payment for the family's unit and for 80 percent of the ongoing administrative fee earned by the Initial housing authority for that unit.

MAKING THE DECISION TO ADMINISTER OR ABSORB

The Receiving housing authority has the authority to decide whether it will administer or absorb an incoming portable family. The housing authority can vary its decision to respond to changing local situations.

The factors a Receiving housing authority may want to consider in making the decision to administer or absorb include:

- Leasing rate. If the Receiving housing authority has a low utilization rate, absorbing incoming portable families will increase the utilization rate. If the Receiving housing authority has a high utilization rate, it may prefer to use its own housing assistance funds to serve families on its waiting list.
- The administrative cost of billing. For the Receiving housing authority, absorbing is generally the most cost-effective approach.
- Proximity of the Initial housing authority. Some housing authorities routinely bill for vouchers from nearby agencies with whom they have established relationships, but prefer to absorb families moving from locations where staff have not previously worked with the housing authority.
- Economy in numbers. Some housing authorities choose to absorb families from locations from which they receive few incoming portability families in order to reduce the number of housing authorities they must bill.

If the Receiving housing authority decides to absorb the portable family, funds from the Receiving housing authority consolidated ACC pay for the family's housing assistance. The Initial housing authority is free to reissue the voucher in cases where the Receiving housing authority has absorbed the family.

A housing authority that decides to administer a housing voucher may change that decision and decide to absorb at any time in the future. Many agencies, having opted to administer housing vouchers during a time when leasing rates were high and local sentiment favored using housing assistance funds for families from the local waiting list, reversed those decisions when housing markets tightened, leasing rates slowed and housing authorities faced low utilization rates and low SEMAP scores. It is not necessary to wait for a recertification or other anniversary date to absorb an administered voucher.

COOPERATIVE AGREEMENTS

Sometimes, housing authorities in abutting jurisdictions make cooperative portability agreements. In locations where movement is in both directions, these agreements may consist of semi-annual reviews of portability contracts that result in each housing authority absorbing an equal number of HAP contracts. The remaining vouchers, which represent the imbalance in movement, will continue to be administered.

If the Receiving housing authority bills the Initial housing authority, the family will be included in the Initial housing authority income targeting calculations; if the Receiving housing authority absorbs, it will include the family in its admissions when calculating the percentage of extremely low-income families.

Monitoring Families Moving Into the Housing Authority Jurisdiction

Although not required, it is helpful to track each of the families currently conducting a housing search within the receiving Housing authority jurisdiction. Exhibit 19-2, *Incoming Portability* is a processing log for families moving into the Housing authority jurisdiction. Using a log allows the supervisor to establish accountability for ensuring that procedures are completed and the Initial housing authority notified before deadlines have passed. The log can be maintained manually or electronically. The log tracks the following information and activities:

- Participant name;
- Date housing voucher or extension expires;
- Date (or check) form HUD-50058 and form HUD-52665 received from Initial housing authority
- Date Request for Tenancy Approval received;
- Date HAP executed;
- Name of Initial HOUSING AUTHORITY;
- Date six months after Initial voucher was issued;
- Date form HUD-52665 or notice that family failed to lease sent to Initial housing authority; and;
- Date that all tasks are complete.

Using a processing log in combination with monthly monitoring by the supervisor will provide staff with the information about what has been completed, what remains to be done, and where priority needs to be placed.

The Family's Search

Annual and On-Going Activities

After a family leases up in the Receiving housing authority jurisdiction, the Receiving housing authority is responsible for conducting all interim and annual reexaminations for the family and all HQS inspections of the family's unit.

Under a billing arrangement, the Initial housing authority must be informed of all changes affecting the household subsidy. After each interim and annual reexamination, the Receiving housing authority must send the Initial housing authority a completed form HUD-52665 showing the new HAP amount and copies of the form HUD-50058 and related income verifications if the billing amount changes.

Either the Initial housing authority or the Receiving housing authority may determine that it is necessary to terminate the family's assistance, and either housing authority may issue a *Portability*

termination notice and conduct the informal hearing. If the Initial housing authority has initiated termination in an instance where there is a significant distance between the two jurisdictions, the housing authority is encouraged to offer to conduct the informal hearing by telephone conference.

If the Receiving housing authority has absorbed the family, the family is no longer considered a portable family. The Initial housing authority is no longer involved with the family's subsidy. There is no billing and no communication on other details of the family's occupancy.

Portability Billing

When a family leases up, the Receiving housing authority is responsible for completing Part II of form HUD 52665 and sending it back to the Initial housing authority within 10 days of the HAP contract execution. A copy of the new form HUD 50058 and any related verifications must be attached.

The Receiving housing authority must bill the Initial housing authority within six months of the date the Initial housing authority issued the housing voucher. If the Receiving housing authority fails to meet this deadline, the Initial housing authority is not obligated to honor the housing voucher and the Receiving housing authority must absorb the portable family.

The Initial housing authority is required to pay the Receiving housing authority within 30 days of the Initial billing for housing assistance payments and fees and on a monthly basis thereafter or in accordance with a schedule developed between the Initial and Receiving housing authorities. The Initial bill from the Receiving housing authority to the Initial housing authority automatically establishes a request for regular payment in the future; the Receiving housing authority is not required to continue submitting billing forms.

When the Receiving housing authority administers the subsidy, the Initial housing authority retains 20 percent of the ongoing administrative fee for that housing choice voucher unless both housing authorities reach a different agreement. The Initial housing authority may also be eligible for a preliminary fee if the portable voucher is part of a funding increment awarded during the first 12 months of the housing authority Housing Choice Voucher Program.

The Receiving housing authority bills the Initial housing authority for the full amount of the housing assistance payment and 80 percent (or other amount agreed to by both housing authorities) of the ongoing administrative fee earned by the Initial housing authority. The fee amount to be used when calculating the on-going administrative fee is the amount identified in column 2 of the annual fee notice published by HUD in the ***Federal Register***.

Either housing authority may contact the HUD state or area office for assistance in resolving portability disputes between housing authorities, although efforts to reach mutual agreements without HUD's involvement are encouraged. Frequently, involvement of management or executive staff at both agencies and agreement to use logs and other monitoring tools internally is all that is required.

HUD may reduce administrative fees to an Initial housing authority if the housing authority does not promptly reimburse the Receiving housing authority or may impose other sanctions against housing authorities that are not in compliance with portability procedures.

ADMINISTRATIVE FEES The Receiving housing authority receives:

- 100% of the HAP for the leased unit;
- 80% of the Initial housing authority administrative fee for the unit, unless the unit is owned by the Receiving housing authority and
- Hard-to-house fees where applicable.

19.6 RELATED SEMAP INDICATORS

SEMAP Indicator 7 measures the housing authority efforts to expand housing opportunities and specifically to help families move to units located outside areas of poverty or minority concentration. The indicator measures whether the housing authority informs housing choice voucher holders at each briefing of the full range of areas where they may lease units both inside and outside of the housing authority jurisdiction.

The SEMAP certification form requires the housing authority to report whether its briefing packet includes an explanation of portability and a list of housing authorities in neighboring jurisdictions including the name of the portability contact at the housing authority and the telephone number and address to help the family contact that agency.

In each briefing, housing authorities are also expected to have prepared and used maps showing neighborhoods both inside and beyond the housing authority jurisdiction where there are housing opportunities outside areas of poverty and minority concentration.

EXHIBIT 19-1
OUTGOING PORTABILITY
PORTABILITY PROCESSING LOG

Participant Name	Date Voucher Expires	Receiving Housing Authority	50058 & 52665 Sent	6 Month Deadline	Date 52665 Rec'd	Absorb/ Bill	Complete

EXHIBIT 19-2
INCOMING PORTABILITY LEASING LOG

Participant Name	Date Voucher Expires	Date Extension Expires	50058 & 52665 Rec'd	Date RTA Rec'd	Date HAP Executed	Initial	6 Month Deadline	56665/ Notice To Initial Housing	Complete

Chapter 20

PROJECT-BASED VOUCHERS

INTRODUCTION

This chapter describes HUD regulations and SPHA policies related to the project-based voucher (PBV) program in nine parts:

Part I: General Requirements. This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

Part II: PBV Owner Proposals. This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors the SPHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

Part III: Dwelling Units. This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.

Part IV: Rehabilitated and Newly Constructed Units. This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

Part V: Housing Assistance Payments Contract. This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at the SPHA's discretion.

Part VI: Selection of PBV Program Participants. This part describes the requirements and policies governing how the SPHA and the owner will select a family to receive PBV assistance. Part VII: Occupancy. This part discusses occupancy requirements related to the lease, and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed.

Part VIII: Determining Rent to Owner. This part describes how the initial rent to owner is determined, and how rent will be re-determined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

Part IX: Payments to Owner. This part describes the types of payments owners may receive under this program.

PART I: GENERAL REQUIREMENTS

20-I.A. OVERVIEW [24 CFR 983.5]

The project-based voucher (PBV) program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to use up to 20 percent of its voucher authorized units for the PBV Program. Additionally, 10% more units can be used for units specifically made available to house homeless individuals and families and for Veteran families. PBV units committed to former public housing sites are not subject to these unit limitations or the SPHA Policy stated immediately below [42 USC 1437f(o)(13)(B), implemented by Notice PIH 2017-21, Attachment F].

[24 CFR 983.6]. PHAs may only operate a PBV program if doing so is consistent with the PHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

SPHA Policy

The SPHA will operate a project-based voucher program using up to 20 percent of its tenant-based voucher program under an annual contributions contract.

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an Agreement to enter into HAP Contract (Agreement) or a HAP contract, the SPHA is not required to reduce the number of these units if the amount of budget authority is subsequently reduced. However, the SPHA is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

20-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the SPHA policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

SPHA Policy

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the SPHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

20-I.C. RELOCATION REQUIREMENTS [24 CFR 983.7]

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. SPHA may not use voucher program funds to cover relocation costs, except that SPHA may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances. The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of the SPHA to ensure the owner complies with these requirements.

20-I.D. EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]

The SPHA must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the SPHA must comply with the SPHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

PART II: PBV OWNER PROPOSALS

20-II.A. OVERVIEW

The SPHA must describe the procedures for owner submission of PBV proposals and for SPHA selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the SPHA must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per project [24 CFR 983.56], and meets the site selection standards [24 CFR 983.57]. The SPHA may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51 [Notice PIH 2011-54].

20-II.B. OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51(b)]

The SPHA must select PBV proposals in accordance with the selection procedures in the SPHA administrative plan. The SPHA must select PBV proposals by any of the following three methods.

- SPHA request for PBV Proposals. The SPHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the SPHA request. The SPHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- The SPHA may select proposal that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance. The SPHA need not conduct another competition.
- The SPHA may select a project in which the SPHA has an ownership interest or over which the SPHA has control without following a competed process, where the SPHA is engaged in an initiative to improve, develop, or replace a public housing development or site [42 USC 1437f(o)(13)(N), implemented by Notice PIH 2017-21, Attachment L]. The SPHA expects to commit 266 PBV units to the Jordan Park former public housing site, for which the SPHA will hold a long-term ground lease. The work to be done consists of a 60-unit new construction mid-rise building on the site of 31 units to be demolished and the substantial rehabilitation of the remaining 206 units.

Solicitation and Selection of PBV Proposals [24 CFR 983.51(c)]

SPHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the SPHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the SPHA request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

SPHA Policy

SPHA Request for Proposals for Rehabilitated and Newly Constructed Units

The SPHA will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the following newspapers and trade journals:

Tampa Bay Times

In addition, the SPHA will post the RFP and proposal submission and rating and ranking procedures on its electronic web site.

In order for the proposal to be considered, the owner must submit the proposal to the SPHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

The SPHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

- Owner experience and capability to build or rehabilitate housing as identified in the RFP;
- Extent to which the project furthers the SPHA goal of deconcentrating poverty and expanding housing and economic opportunities;
- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

SPHA Requests for Proposals for Existing Housing Units

The SPHA will advertise its request for proposals (RFP) for existing housing in the **Tampa Bay Times**.

In addition, the SPHA will post the notice inviting such proposal submission and the rating and ranking procedures on its electronic web site.

Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

- Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;
- Extent to which the project furthers the SPHA goal of deconcentrating poverty and expanding housing and economic opportunities;
- If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
- Extent to which units are occupied by families that are eligible to participate in the PBV program.

SPHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The SPHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

In addition to, or in place of advertising, the SPHA may directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The SPHA will evaluate each proposal on its merits using the following factors:

- Extent to which the project furthers the SPHA goal of de-concentrating poverty and expanding housing and economic opportunities; and
- Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

SPHA-Owned Units [24 CFR 983.51(e), 983.59, and Notice PIH 2015-05]

A SPHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that the SPHA owned units were appropriately selected based on the selection procedures specified in the SPHA administrative plan. If the SPHA selects a proposal for housing that is owned or controlled by the SPHA, the SPHA must identify the entity that will review the SPHA proposal selection process and perform specific functions with respect to rent determinations and inspections.

In the case of SPHA-owned units, the term of the HAP contract and any HAP contract renewal must be agreed upon by the SPHA and a HUD-approved independent entity. In addition, an independent entity must determine the rent to owner, the re-determined rent to owner, and reasonable rent. Housing quality standards inspections must also be conducted by an independent entity.

The independent entity that performs these program services may be the unit of general local government for the SPHA jurisdiction or another HUD-approved public or private independent entity.

The SPHA may only compensate the independent entity from SPHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). The SPHA may not use other program receipts to compensate the independent entity for its services. The SPHA and

independent entity may not charge the family any fee for the appraisal or the services provided by the independent entity.

20-II.C. HOUSING TYPE [24 CFR 983.52]

The SPHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of SPHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation began after the owner's proposal submission but prior to the execution of the HAP do not subsequently qualify as existing housing. Units that were newly constructed or rehabilitated in violation of program requirements also do not qualify as existing housing.

The SPHA must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The SPHA choice of housing type must be reflected in its solicitation for proposals.

20-II.D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS Ineligible Housing Types [24 CFR 983.53]

The SPHA may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; and transitional housing. In addition, the SPHA may not attach or pay PBV assistance for a unit occupied by an owner and the SPHA may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program. A member of a cooperative who owns shares in the project assisted under the PBV program is not considered an owner for purposes of participation in the PBV program. Finally, PBV assistance may not be attached to units for which construction or rehabilitation has started after the proposal submission and prior to the execution of an AHAP.

Subsidized Housing [24 CFR 983.54]

A SPHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;

- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a SPHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the SPHA in accordance with HUD requirements.

20-II.E. SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.55, FR Notice 11/24/08, FR Notice 7/9/10, and FR Notice 6/25/14]

The SPHA may provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

Subsidy layering requirements do not apply to existing housing. A further subsidy layering review is not required for new construction or rehabilitation if HUD's designee has conducted a review that included a review of PBV assistance in accordance with the PBV subsidy layering guidelines.

The SPHA must submit the necessary documentation to HUD for a subsidy layering review. Except in cases noted above, the SPHA may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD, or a HUD-approved housing credit agency (HCA), has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements. However, in order to satisfy applicable requirements, HCAs must conduct subsidy layering reviews in compliance with the guidelines set forth in the *Federal Register* notice published July 9, 2010.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

20-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT 25 Percent per Project Cap [24 CFR 983.56]

In general, the SPHA may not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the project.

Exceptions to 25 Percent per Project Cap [24 CFR 983.56(b)]

Exceptions are allowed and PBV units are not counted against the 25 percent per project cap if:

- The units are in a single-family building (one to four units);
- The units are *excepted units* in a multifamily project because they are specifically made available for elderly and/or disabled families or families receiving supportive services (also known as *qualifying families*). SPHA Policy
- The units are not subject to the Project Cap because they were previously receiving public housing subsidy [42 USC 1437f(o)(13)(D) of the U.S. Housing Act of 1937 and implemented by Notice PIH 2017-21, Attachment F].

Supportive services may include, but are not limited to, substance abuse treatment, counseling, case management, job search assistance, and after school care. At each annual reexamination, SPHA shall request confirmation from the Owner that the client residing in the excepted unit is receiving supportive services.

Promoting Partially-Assisted Projects [24 CFR 983.56(c)]

The SPHA may establish local requirements designed to promote PBV assistance in partially assisted projects. A *partially assisted project* is a project in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].

The SPHA may establish a per-project cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily project containing excepted units or in a single-family building. The SPHA may also determine not to provide PBV assistance for excepted units, or the SPHA may establish a per-project cap of less than 25 percent.

SPHA Policy:

The SPHA will not impose any further cap on the number of PBV units assisted per project.

20-II.G. SITE SELECTION STANDARDS Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards [24 CFR 983.57(b)]

The SPHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for

units on the site, unless the SPHA has determined that PBV assistance for housing at the selected site is consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities. The standard for de-concentrating poverty and expanding housing and economic opportunities must be consistent with the SPHA Plan under 24 CFR 903 and the SPHA administrative plan.

In addition, prior to selecting a proposal, the SPHA must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

SPHA Policy

It is the SPHA goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the SPHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the SPHA will grant exceptions to the 20 percent standard where the SPHA determines that the PBV assistance will complement other local redevelopment activities designed to de-concentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational and economic advancement.

Existing and Rehabilitated Housing Site and Neighborhood Standards [24 CFR 983.57(d)]

The SPHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the SPHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

20-II.H. ENVIRONMENTAL REVIEW [24 CFR 983.58]

The SPHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The SPHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The SPHA may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the SPHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The SPHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The SPHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

PART III: DWELLING UNITS

20-III.A. OVERVIEW

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

20-III.B. HOUSING QUALITY STANDARDS [24 CFR 983.101]

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

Lead-based Paint [24 CFR 983.101(c)]

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

20-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The SPHA must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

20-III.D. INSPECTING UNITS

Pre-selection Inspection [24 CFR 983.103(a)]

The SPHA must examine the proposed site before the proposal selection date. If the units to be assisted already exist, the SPHA must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, the SPHA may not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections [24 CFR 983.103(b)]

The SPHA must inspect each contract unit before execution of the HAP contract. The SPHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

Turnover Inspections [24 CFR 983.103(c)]

Before providing assistance to a new family in a contract unit, the SPHA must inspect the unit. The SPHA may not provide assistance on behalf of the family until the unit fully complies with HQS.

Annual/Biennial Inspections [24 CFR 983.103(d); FR Notice 6/25/14]

At least once every 24 months during the term of the HAP contract, the SPHA must inspect a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this inspection requirement.

SPHA Policy

The SPHA will inspect on an annual basis a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS.

If more than 20 percent of the sample of inspected contract units in a building fails the initial inspection, the SPHA must re-inspect 100 percent of the contract units in the building.

Other Inspections [24 CFR 983.103(e)]

The SPHA must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The SPHA must take into account complaints and any other information coming to its attention in scheduling inspections.

The SPHA must conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting SPHA supervisory quality control HQS inspections, the SPHA should include a representative sample of both tenant-based and project-based units.

Inspecting SPHA-Owned Units [24 CFR 983.103(f)]

In the case of SPHA-owned units, the inspections must be performed by an independent agency designated by the SPHA and approved by HUD. The independent entity must furnish a copy of each inspection report to the SPHA and to the HUD field office where the project is located. The SPHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the SPHA-owner.

PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS

20-IV.A. OVERVIEW [24 CFR 983.151]

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

20-IV.B. AGREEMENT TO ENTER INTO HAP CONTRACT

In order to offer PBV assistance in rehabilitated or newly constructed units, the SPHA must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(b)]. The SPHA may not enter into an Agreement if commencement of construction or rehabilitation has commenced after proposal submission [24 CFR 983.152(c)]. Construction begins when excavation or site preparation (including clearing of the land) begins for the housing. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing.

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and the SPHA agrees that upon timely completion of such development in accordance with the terms of the Agreement, the SPHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(a)].

Content of the Agreement [24 CFR 983.152(d)]

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by the SPHA, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

Execution of the Agreement [24 CFR 983.153]

The Agreement must be executed promptly after SPHA notice of proposal selection to the selected owner. The SPHA may not enter into the Agreement if construction or rehabilitation has started after proposal submission. Generally, the SPHA may not enter into the Agreement with the

owner until the subsidy layering review is completed. Likewise, the SPHA may not enter into the Agreement until the environmental review is completed and the SPHA has received environmental approval. However, the SPHA does not need to conduct a subsidy layering review in the case of a HAP contract for existing housing or if the applicable state or local agency has conducted such a review. Similarly, environmental reviews are not required for existing structures unless otherwise required by law or regulation.

SPHA Policy

The SPHA will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

20-IV.C. CONDUCT OF DEVELOPMENT WORK Labor Standards [24 CFR 983.154(b)]

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis Bacon wages to laborers and mechanics employed in the development of housing. The HUD prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The SPHA must monitor compliance with labor standards.

Equal Opportunity [24 CFR 983.154(c)]

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

Owner Disclosure [24 CFR 983.154(d) and (e)]

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

20-IV.D. COMPLETION OF HOUSING

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

Evidence of Completion [24 CFR 983.155(b)]

At a minimum, the owner must submit the following evidence of completion to the SPHA in the form and manner required by the SPHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the SPHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

SPHA Policy

The SPHA will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. The SPHA will specify any additional documentation requirements in the Agreement to enter into HAP contract.

SPHA Acceptance of Completed Units [24 CFR 983.156]

Upon notice from the owner that the housing is completed, the SPHA must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The SPHA must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the SPHA must not enter into the HAP contract.

If the SPHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the SPHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

20-V.A. OVERVIEW

The SPHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. With the exception of single-family scattered-site projects, a HAP contract shall cover a single project. If multiple projects exist, each project is covered by a separate HAP contract. The HAP contract must be in the form required by HUD [24 CFR 983.202(a)].

20-V.B. HAP CONTRACT REQUIREMENTS

Contract Information [24 CFR 983.203]

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any project that will exceed the 25 percent per project cap, which will be set aside for occupancy by qualifying families (elderly and/or disabled families and families receiving supportive services); and
- The initial rent to owner for the first 12 months of the HAP contract term.

Execution of the HAP Contract [24 CFR 983.204]

The SPHA may not enter into a HAP contract until each contract unit has been inspected and the SPHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the SPHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the SPHA has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

SPHA Policy

For existing housing, the HAP contract will be executed within 10 business days of the SPHA determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of the SPHA determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

Term of HAP Contract [24 CFR 983.205]

The SPHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than 15 years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year, nor more than 15 years. In the case of SPHA-owned units, the term of the HAP contract must be agreed upon by the SPHA and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

SPHA Policy

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

At the time of the initial HAP contract term or any time before expiration of the HAP contract, the SPHA may extend the term of the contract for an additional term of up to 15 years if the SPHA determines an extension is appropriate to continue providing affordable housing for low-income families. A HAP contract extension may not exceed 15 years. SPHA may provide for multiple extensions; however, in no circumstances may such extensions exceed 15 years, cumulatively. Extensions after the initial extension are allowed at the end of any extension term, provided that not more than 24 months prior to the expiration of the previous extension contract the SPHA agrees to extend the term, and that such extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities. Extensions after the initial extension term shall not begin prior to the expiration date of the previous extension term. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension. In the case of SPHA-owned units, any extension of the term of the HAP contract must be agreed upon by the SPHA and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

SPHA Policy

When determining whether or not to extend an expiring PBV contract, the SPHA will consider several factors including, but not limited to:

- The cost of extending the contract and the amount of available budget authority;
- The condition of the contract units;

- The owner's record of compliance with obligations under the HAP contract and lease(s);
- Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
- Whether the funding could be used more appropriately for tenant-based assistance.

Termination by SPHA [24 CFR 983.205(c)]

The HAP contract must provide that the term of the SPHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the SPHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the SPHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

Termination by Owner [24 CFR 983.205(d)]

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the SPHA. In this case, families living in the contract units must be offered tenant-based assistance.

Statutory Notice Requirements: Contract Termination or Expiration [24 CFR 983.206]

Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify the SPHA and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD. If the owner does not give timely notice, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of the owner's inability to collect an increased tenant portion of rent. An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

Remedies for HQS Violations [24 CFR 983.208(b)]

The SPHA may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the SPHA determines that a contract does not comply with HQS, the SPHA may exercise any of its remedies under the HAP contract, for any or

all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

SPHA Policy

The SPHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8-II.G., Enforcing Owner Compliance.

20-V.C. AMENDMENTS TO THE HAP CONTRACT Substitution of Contract Units [24 CFR 983.207(a)]

At the SPHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit. Before any such substitution can take place, the SPHA must inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units [24 CFR 983.207(b)]

At the SPHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per project and on the overall size of the SPHA's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same project. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required.

SPHA Policy

The SPHA will consider adding contract units to the HAP contract when the SPHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and

Voucher holders are having difficulty finding units that meet program requirements.

20-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.207(b) and 983.302(e)]

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

20-V.E. OWNER RESPONSIBILITIES UNDER THE HAP [24 CFR 983.210]

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the SPHA, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit;
- The family does not own or have any interest in the contract unit (does not apply to family's membership in a cooperative); and
- Repair work on the project selected as an existing project that is performed after HAP execution within such post-execution period as specified by HUD may constitute development activity, and if determined to be development activity, the repair work undertaken shall be in compliance with Davis-Bacon wage requirements.

20-V.F. ADDITIONAL HAP REQUIREMENTS

Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.208(a)]

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the

SPHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

The SPHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements must be specified in the Agreement to enter into a HAP contract and the HAP contract. These requirements must be in addition to, not in place of, compliance with HQS.

SPHA Policy

The SPHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The SPHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

Vacancy Payments [24 CFR 983.352(b)]

At the discretion of the SPHA, the HAP contract may provide for vacancy payments to the owner for a SPHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by the SPHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

SPHA Policy

The SPHA will decide on a case-by-case basis if the SPHA will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS

20-VI.A. OVERVIEW

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

20-VI.B. ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]

The SPHA may select families for the PBV program from those who are participants in the SPHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be re-determined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the SPHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the SPHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. The SPHA may also not approve a tenancy if the owner (including a principal or other interested party) of the unit is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless needed as a reasonable accommodation. An applicant family must also meet HUD requirements related to current or past criminal activity.

SPHA Policy

The SPHA will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 2.

In-Place Families [24 CFR 983.251(b)]

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the SPHA is considered an "in-place family." These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the SPHA's waiting list. Once the family's continued eligibility is determined (the SPHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the SPHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

20-VLC. ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(c)]

The SPHA may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and PBV assistance. The SPHA may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by the SPHA. If the SPHA chooses to offer a separate waiting list for PBV assistance, the SPHA must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If a SPHA decides to establish a separate PBV waiting list, the SPHA may use a single waiting list for the SPHA's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units.

SPHA Policy

The SPHA will establish and manage separate waiting lists for individual projects or buildings that are receiving PBV assistance. The SPHA may delegate this responsibility to the contracted Project Based complex.

20-VLD. SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]

Applicants who will occupy units with PBV assistance must be selected from the SPHA's waiting list or the Project Based contractor. The SPHA may establish selection criteria or preferences for occupancy of particular PBV units. The SPHA may place families referred by the PBV owner on its PBV waiting list.

Income Targeting [24 CFR 983.251(c)(6)]

At least 75 percent of the families admitted to the SPHA's tenant-based and project-based voucher programs during the SPHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

Units with Accessibility Features [24 CFR 983.251(c)(7)]

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the SPHA must first refer families who require such features to the owner.

Preferences [24 CFR 983.251(d), FR Notice 11/24/08]

The SPHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. The SPHA must provide an absolute selection preference for eligible in-place families as described in Section 20-VI.B. above. Although the SPHA is prohibited from granting preferences to persons with a specific disability,

the SPHA may give preference to disabled families who need services offered at a particular project or site if the preference is limited to families (including individuals):

- With disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;
- Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
- For whom such services cannot be provided in a non-segregated setting.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If the SPHA has projects with more than 25 percent of the units receiving project-based assistance because those projects include “excepted units” (units specifically made available for elderly or disabled families, or families receiving supportive services), the SPHA must give preference to such families when referring families to these units [24 CFR 983.261(b)].

SPHA Policy

The SPHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for “excepted units,” mobility impaired persons for accessible units). The SPHA will offer additional preferences for the PBV program or for particular PBV projects or units on a case by case basis.

20-VLE. OFFER OF PBV ASSISTANCE Refusal of Offer [24 CFR 983.251(e)(3)]

The SPHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant’s place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the SPHA’s selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

Disapproval by Landlord [24 CFR 983.251(e)(2)]

If a PBV owner rejects a family for admission to the owner’s units, such rejection may not affect the family’s position on the tenant-based voucher waiting list.

Acceptance of Offer [24 CFR 983.252]

Family Briefing

When a family accepts an offer for PBV assistance, the SPHA must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the SPHA must provide a briefing packet that explains how the SPHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

Persons with Disabilities

If an applicant family's head or spouse is disabled, the SPHA must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available (see Chapter 2). In addition, the SPHA must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency

The SPHA should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Chapter 2).

20-VI.F. OWNER SELECTION OF TENANTS

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(a)(2) and (a)(3)].

Leasing [24 CFR 983.253(a)]

During the term of the HAP contract, the owner must lease contract units to eligible families that are selected and referred by the SPHA from the SPHA's waiting list. The contract unit leased to the family must be the appropriate size unit for the size of the family, based on the SPHA's subsidy standards.

Filling Vacancies [24 CFR 983.254(a)]

The owner must promptly notify the SPHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, the SPHA must make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. The SPHA and the owner must make reasonable efforts to minimize the likelihood and length of any vacancy.

SPHA Policy

The owner must notify the SPHA in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy.

The SPHA will make every reasonable effort to refer families to the owner within 10 business days of receiving such notice from the owner.

Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the SPHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

SPHA Policy

If any contract units have been vacant for 120 days, the SPHA will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The SPHA will provide the notice to the owner within 10 business days of the 120th day of the vacancy. The amendment to the HAP contract will be effective the 1st day of the month following the date of the SPHA's notice.

20-VI.G. TENANT SCREENING [24 CFR 983.255] SPHA Responsibility

The SPHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, the SPHA may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.

SPHA Policy

The SPHA will not conduct screening to determine a PBV applicant family's suitability for tenancy.

The SPHA must provide the owner with an applicant family's current and prior address (as shown in SPHA records) and the name and address (if known by the SPHA) of the family's current landlord and any prior landlords.

The SPHA must provide applicant families a description of the SPHA policy on providing information to owners, and the SPHA must give the same types of information to all owners.

The SPHA may not disclose to the owner any confidential information provided in response to a request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(a)(4)].

SPHA Policy

The SPHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. The SPHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

Owner Responsibility

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families, the owner may consider a family's background with respect to the following factors:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;
- Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
- Compliance with other essential conditions of tenancy.

PART VII: OCCUPANCY

20-VII.A. OVERVIEW

After an applicant has been selected from the waiting list, determined eligible by the SPHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

20-VII.B. LEASE [24 CFR 983.256]

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

Form of Lease [24 CFR 983.256(b)]

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

The SPHA may review the owner's lease form to determine if the lease complies with state and local law. If the SPHA determines that the lease does not comply with state or local law, the SPHA may decline to approve the tenancy.

SPHA Policy

The SPHA will not review the owner's lease for compliance with state or local law.

Lease Requirements [24 CFR 983.256(c)]

The lease for a PBV unit must specify all of the following information:

- The names of the owner and the tenant;
- The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
- The term of the lease (initial term and any provision for renewal);
- The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
- A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
- The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum [24 CFR 983.256(d)]

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by the SPHA (the names of family members and any SPHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

Initial Term and Lease Renewal [24 CFR 983.256(f)]

The initial lease term must be for at least one year. The lease must provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g. month-to-month or year-to-year) or an automatic indefinite extension of the lease term. For automatic indefinite extension of the lease term, the lease terminates if any of the following occur:

- The owner terminates the lease for good cause
- The tenant terminates the lease
- The owner and tenant agree to terminate the lease
- The SPHA terminates the HAP contract
- The SPHA terminates assistance for the family

Changes in the Lease [24 CFR 983.256(e)]

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the SPHA a copy of all changes.

The owner must notify the SPHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the SPHA and in accordance with the terms of the lease relating to its amendment. The SPHA must re-determine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The re-determined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

Owner Termination of Tenancy [24 CFR 983.257]

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c), FR Notice 11/24/08]

If a family is living in a project-based unit that is excepted from the 25 percent per project cap on project-basing because of participation in a supportive services program (e.g., Family Self Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]

The lease may specify a maximum period of family absence from the unit that may be shorter than the maximum period permitted by SPHA policy. According to program requirements, the family's assistance must be terminated if they are absent from the unit for more than 180 consecutive days. SPHA termination of assistance actions due to family absence from the unit are subject to 24 CFR 981.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted.

Continuation of Housing Assistance Payments [24 CFR 982.258]

Housing assistance payments shall continue until the tenant rent equals the rent to owner. The cessation of housing assistance payments at such point will not affect the family's other rights under its lease, nor will such cessation preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within 180 days following the date of the last housing assistance payment by the SPHA. After the 180-day period, the unit shall be removed from the HAP contract pursuant to 24 CFR 983.211.

SPHA Policy

If a participating family receiving zero assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family must notify the SPHA of the change and request an interim reexamination before the expiration of the 180-day period.

Security Deposits [24 CFR 983.259]

The owner may collect a security deposit from the tenant. The SPHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

SPHA Policy

The SPHA will allow the owner to collect a security deposit amount the owner determines is appropriate.

When the tenant moves out of a contract unit, the owner, subject to state and local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid tenant rent, damages to the unit, or other amounts owed by the tenant under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The SPHA has no liability or responsibility for payment of any amount owed by the family to the owner.

20-VII.C. MOVES

Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.260]

If the SPHA determines that a family is occupying a wrong size unit, based on the SPHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the SPHA must promptly notify the family and the owner of this determination, and the SPHA must offer the family the opportunity to receive continued housing assistance in another unit.

SPHA Policy

The SPHA will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the SPHA's determination. The SPHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

PBV assistance in the same building or project; PBV assistance in another project; and Tenant-based voucher assistance.

If the SPHA offers the family a tenant-based voucher, the SPHA must terminate the housing assistance payments for a wrong-sized or accessible unit at the earlier of the expiration of the term of the family's voucher (including any extension granted by the SPHA) or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family's voucher, the SPHA must remove the unit from the HAP contract.

If the SPHA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the SPHA, or both, the SPHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the SPHA and remove the unit from the HAP contract.

SPHA Policy

When the SPHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the SPHA will terminate the housing assistance payments at the expiration of this 30-day period.

The SPHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

Family Right to Move [24 CFR 983.261]

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the SPHA. If the family wishes to move with continued tenant-based assistance, the family must contact the SPHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, the SPHA is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, the SPHA must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

20-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.262]

The SPHA may not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a project unless the units are [24 CFR 983.56]:

- In a single-family building;
- Specifically made available for elderly and/or disabled families; or
- Specifically made available for families receiving supportive services as defined by the SPHA. At least one member must be receiving at least one qualifying supportive service.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by the SPHA and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a "qualifying family" in connection with the 25 percent per project cap exception (e.g. a family that does not successfully complete its FSS contract of participation or supportive services requirements, or a family that is no longer elderly or disabled due to a change in family

composition where the SPHA does not exercise discretion to allow the family to remain in the excepted unit), must vacate the unit within a reasonable period of time established by the SPHA, and the SPHA must cease paying housing assistance payments on behalf of the non-qualifying family.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by the SPHA.

The SPHA may allow a family that initially qualified for occupancy of an excepted unit based on elderly or disabled family status to continue to reside in a unit, where through circumstances beyond the control of the family (e.g., death of the elderly or disabled family member or long-term or permanent hospitalization or nursing care), the elderly or disabled family member no longer resides in the unit. In this case, the unit may continue to be counted as an excepted unit for as long as the family resides in that unit. Once the family vacates the unit, in order to continue as an excepted unit under the HAP contract, the unit must be made available to and occupied by a qualified family.

SPHA Policy

The SPHA will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to circumstances beyond the remaining family members' control. In all other cases, when the SPHA determines that a family no longer meets the criteria for a "qualifying family" in connection with the 25 percent per project cap exception, the SPHA will provide written notice to the family and owner within 10 business days of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, the SPHA will terminate the housing assistance payments at the expiration of this 30-day period.

The SPHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

The SPHA may refer other eligible families to the excepted units. However, if there are no eligible families on the waiting list and the owner does not refer eligible families to the SPHA, the SPHA will amend the HAP contract to reduce the total number of units under contract.

PART VIII: DETERMINING RENT TO OWNER

20-VIII.A. OVERVIEW

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is re-determined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

20-VIII.B. RENT LIMITS [24 CFR 983.301]

Except for certain tax credit units (discussed below), the rent to owner must not exceed the lowest of the following amounts:

- An amount determined by the SPHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or • The rent requested by the owner.

Certain Tax Credit Units [24 CFR 983.301(c)]

For certain tax credit units, the rent limits are determined differently than for other PBV units. Different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same project, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds 110 percent of the fair market rent or any approved exception payment standard;

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

Definitions

A **qualified census tract** is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

Tax credit rent is the rent charged for comparable units of the same bedroom size in the project that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

Reasonable Rent [24 CFR 983.301(e) and 983.302(c)(2)]

The SPHA must determine reasonable rent in accordance with 24 CFR 983.303. The rent to owner for each contract unit may at no time exceed the reasonable rent, except in cases where the SPHA has elected within the HAP contract not to reduce rents below the initial rent to owner and, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent. However, the rent to owner must be reduced in the following cases:

- To correct errors in calculations in accordance with HUD requirements
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR 983.55
- If a decrease in rent to owner is required based on changes in the allocation of the responsibility for utilities between owner and tenant

If the SPHA has not elected within the HAP contract to establish the initial rent to owner as the rent floor, the rent to owner shall not at any time exceed the reasonable rent.

SPHA Policy

The SPHA will elect within the HAP contract not to reduce rents below the initial level, with the exception of circumstances listed in 24 CFR 983.302(c)(2). If, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent, the SPHA will use the higher initial rent to owner amount.

Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]

When determining the initial rent to owner, the SPHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, the SPHA must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, the SPHA may for initial rent, use the amounts in effect at any time during the 30-day period immediately

before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, the SPHA may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

SPHA Policy

Upon written request by the owner, the SPHA will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The SPHA will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, the SPHA may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent, if the SPHA determines it is necessary due to SPHA budgetary constraints.

Redetermination of Rent [24 CFR 983.302]

The SPHA must re-determine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

Rent Increase

If an owner wishes to request an increase in the rent to owner from the SPHA, it must be requested at the annual anniversary of the HAP contract (see Section 20-V.D.). The request must be in writing and in the form and manner required by the SPHA. The SPHA may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

SPHA Policy

An owner's request for a rent increase must be submitted to the SPHA 60 days prior to the anniversary date of the HAP contract, and must include the new rent amount the owner is proposing.

The SPHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

Rent Decrease

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment, except where the SPHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

Notice of Rent Change

The rent to owner is re-determined by written notice by the SPHA to the owner specifying the amount of the re-determined rent. The SPHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

SPHA Policy

The SPHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

SPHA-Owned Units [24 CFR 983.301(g)]

For SPHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. The SPHA must use the rent to owner established by the independent entity.

20-VIII.C. REASONABLE RENT [24 CFR 983.303]

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the SPHA, except where the SPHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

When Rent Reasonable Determinations Are Required

The SPHA must re-determine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The SPHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building or project; or
- There is any other change that may substantially affect the reasonable rent.

How to Determine Reasonable Rent

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the SPHA must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

Comparability Analysis

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the SPHA. The comparability analysis may be performed by SPHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

SPHA-Owned Units

For SPHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for SPHA-owned units to the SPHA and to the HUD field office where the project is located.

Owner Certification of Reasonable Rent

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the SPHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

20-VIII.D. EFFECT OF OTHER SUBSIDY AND RENT CONTROL

In addition to the rent limits discussed in Section 20-VIII.B above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 20-II.D).

Other Subsidy [24 CFR 983.304]

To comply with HUD subsidy layering requirements, at the discretion of HUD or its designee, a SPHA shall reduce the rent to owner because of other governmental subsidies, including tax credits or tax exemptions, grants, or other subsidized funding.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

Combining Subsidy

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

Rent Control [24 CFR 983.305]

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

PART IX: PAYMENTS TO OWNER

20-IX.A. HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]

During the term of the HAP contract, the SPHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the SPHA agree on a later date.

Except for discretionary vacancy payments, the SPHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the SPHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

20-IX.B. VACANCY PAYMENTS [24 CFR 983.352]

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the SPHA determines that the vacancy is the owner's fault.

SPHA Policy

If the SPHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, the SPHA will notify the landlord of the amount of housing assistance payment that the owner must repay. The SPHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

At the discretion of the SPHA, the HAP contract may provide for vacancy payments to the owner. The SPHA may only make vacancy payments if:

- The owner gives the SPHA prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);

- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by the SPHA to verify that the owner is entitled to the vacancy payment.

The owner must submit a request for vacancy payments in the form and manner required by the SPHA and must provide any information or substantiation required by the SPHA to determine the amount of any vacancy payment.

SPHA Policy

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified the SPHA of the vacancy in accordance with the policy in Section 20-VI.F regarding filling vacancies. In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the SPHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the SPHA within 10 business days of the SPHA's request, no vacancy payments will be made.

20-IX.C. TENANT RENT TO OWNER [24 CFR 983.353]

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the SPHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the SPHA notice to the family and owner. The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the SPHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the SPHA. The owner must immediately return any excess payment to the tenant.

Tenant and SPHA Responsibilities

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the SPHA.

Likewise, the SPHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The SPHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The SPHA may not use housing

assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

Utility Reimbursements

If the amount of the utility allowance exceeds the total tenant payment, the SPHA must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

The SPHA may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If the SPHA chooses to pay the utility supplier directly, the SPHA must notify the family of the amount paid to the utility supplier.

SPHA Policy

The SPHA will make utility reimbursements to the utility supplier directly.

20-IX.D. OTHER FEES AND CHARGES [24 CFR 983.354] Meals and Supportive Services

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

Other Charges by Owner

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

CHAPTER 21

Veterans Affairs Supportive Housing (VASH)

INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD) and the Veterans Administration (VA) have combined rental assistance from HUD and the VA to create the VASH Program. It services and targets chronically homeless Veterans in Pinellas County.

This St. Petersburg Housing Authority (SPHA) VASH Administrative Plan includes the specialized regulations that are inclusive to the VASH vouchers. The St. Petersburg Housing Authority Housing Choice Voucher Administrative Plan and Section 8 Rules and Regulations apply in the administration of these vouchers but are secondary to HUD-VASH Rules and Regulations as specified in this Administrative Plan and future regulatory Code of Federal Regulation connected to the VASH Program.

SPHA Policy

HUD VASH Program – The SPHA will administer the HUD Veterans Affairs Supportive Housing Voucher (VASH) in accordance with St. Petersburg Housing Authority VASH Administrative Plan and the St. Petersburg Housing Authority Housing Choice Voucher Administrative Plan, 24 CFR part 982, and Docket No. FR-5213-N-01 and any subsequent notice, guidance, or regulation that amends or supersedes Docket No. FR5213-N-01.

Identification

The SPHA will maintain records that will allow for easy identification of families receiving HUD-VASH vouchers. SPHA will also identify the HUD-VASH Voucher families in the Public and Indian Housing Information Center (PIC).

Family Eligibility and Selection

The Veterans Administration Medical Center (VAMC) selected local service provider will determine homelessness and clinical eligibility of a VASH applicant. The VAMC selected service provider will refer the HUD –VASH eligible families to the SPHA for the issuance of vouchers. The SPHA will determine income eligibility and screen for lifetime sex-offender registrants.

The SPHA will not have the authority to maintain a waiting list or apply local Preferences for HUD-VASH vouchers. Accordingly, Section 8(o)(6)(A) of the USHA of 1937, 42 U.S.C. 1437f(o)(6)(A), in regard to preferences has been waived to provide for effective administration of

this program. In addition, 24 CFR 982.202, 982.240, and 982.207, relating to applicant selection from the waiting list and local preferences are also waived. Sections 982.203, 982.205, and 982.206 regarding special admissions, cross-listing of the waiting list, and opening and closing the waiting list do not apply to the HUD-VASH Program.

The PHA shall not deny HUD-VASH applicants for any grounds listed in 24 CFR 982.552 or 24 CFR 982.553 with the exception of 24 CFR 982.553(a)(2)(i), which requires the denial of sex offenders who have a life time registration requirement.

If a family member other than the Veteran is subject to a lifetime registration requirement under a state sex offender registration program, the Veteran's family must agree to remove this family member from the household composition to receive rental assistance.

The provisions of 24 CFR Section 982.551(h)(2) applies when a family member is added to the assisted HUD-VASH household after initial occupancy. Other than the birth, adoption or court awarded custody of a child, any other family member must be approved by the SPHA in accordance with its policies.

Civil Rights and Reasonable Accommodation

The SPHA will administer the HUD-VASH program in accordance with Fair Housing Requirements. Fair Housing Requirements prohibit discrimination on the basis of race, color, religion, sex, familial status, national origin, or disability. When disabled veterans are HUD-VASH recipients, HUD's reasonable accommodation standards apply.

Income Eligibility

The SPHA will determine income eligibility in accordance with CFR 982.201. Income targeting requirements of section 16(b) of the USHA of 1937, as well as 24 CFR 982.201 (b)(2), do not apply to HUD-VASH families.

As in the regular voucher program, the SPHA will determine whether a family is income eligible prior to the provision of HUD-VASH assistance. If the family is over income based on the most recently published income limits for family size, the family will be ineligible for HCV assistance. After admission, income limits do not apply.

The SPHA will not deny assistance to a HUD-VASH family that owes money to the SPHA in connection with the Section 8 or Public Housing Program

Initial Lease Term

Under the HCV Program, voucher participants enter into an initial lease with the owner for one year, unless a shorter term would improve housing opportunities for the tenant and the shorter term is a prevailing market practice. To provide a greater range of housing opportunities for the HUD-VASH voucher holders, initial leases may be less than 12 months. Section 8(o)(7)(A) of the USHA of 1937, 42 U.S.C. 1437f(o)(7)(A), and 24 CFR 982.309(a)(2)(ii) are waived.

Ineligible Housing

HUD-VASH families will be permitted to live on the grounds of a VA Medical Center. This effectively waives the regulation set forth at 24 CFR 982.352(a)(5) which prohibits Housing Choice Vouchers on the grounds of medical, mental, or similar public or private institution.

Portability of HUD-VASH Vouchers

If the family initially leases up, or moves under portability provisions, but the initial Public Housing Authority's (PHA) partnering VAMC will still be able to provide the necessary case management services due to the proximity to the partnering VAMC, the receiving PHA must process the move in accordance with the Portability procedures of 24 CFR 982.355 and those in Chapter 19 of the St. Petersburg Housing Authority Housing Choice Voucher Administrative Plan. However, the Receiving PHA must bill the Initial PHA to comply with the record keeping requirements established above. The Receiving PHA does not have the option to absorb the HUD-VASH Family.

When the Receiving PHA completes the HUD 50058 under the scenarios above, the action type that must be recorded on line 2a is "1" for a new admission (a Family that is new to the HCVP) or "4" for a portability move-in (A Family that was previously leased up in the jurisdiction of the initial PHA). Whether the Family is a new admission or a portability move-in, in Section 12 of the HUD-50058, line 12d is marked "Y", 12e must have an amount recorded, and 12f must include the Initial PHA's code.

If a Family moves where it will not be possible for the Initial PHA's partnering VAMC local servicer to provide case management services, the VAMC must first determine whether the HUD-VASH Family could be served by another VAMC that is participating in the program and the Receiving PHA must have a HUD-VASH voucher available for this Family. If the above conditions are met, the Families must be absorbed by the Receiving PHA either as a new admission (upon initial participation in the HUD-VASH Program) or as a portability move-in (after an initial leasing in the Initial PHA's jurisdiction). Upon absorption, the Initial PHA's HUD-VASH voucher will be available to lease to a new HUD-VASH eligible Family as determined by the partnering VAMC service provider and the absorbed Family will count towards the number of HUD-VASH slots awarded to the Receiving PHA.

When the Receiving PHA completes the HUD 50058 under the scenarios above, the action type that must be recorded on line 2a is "1" for a new admission (a Family that is new to the HCVP) or

“4” for a portability move-in (a Family that was previously leased up in the jurisdiction of the initial PHA). Whether the Family is a new admission or a portability move-in, in Section 12 of the HUD-50058, line 12d is marked “Y”, 12e must be 0 since the Family must be absorbed, and 12f must be left blank.

Case Management Requirement

The VAMC Service Provider’s responsibilities include:

- ✓ Screening of homeless Veterans to determine eligibility for the HUD-VASH Program as established by the Veteran’s Affairs national office;
- ✓ Providing appropriate treatment and supportive services to potential HUD-VASH Program Participants, if needed, prior to PHA issuance of rental vouchers;
- ✓ Providing housing search assistance to HUD-VASH voucher holders;
- ✓ Identifying the social service and medical needs of HUD-VASH participants and providing, or ensuring the provision of regular ongoing case management, outpatient health services, hospitalization, and other supportive services as needed throughout this initiative; and
- ✓ Maintaining records and providing information for evaluation purposes, as required by HUD and Veterans Affairs.
- ✓ Participation Contingent on Case Management – As a condition of assistance, the HUD-VASH participant must receive case management services as described above and the failure to participate in case management services without good cause, is grounds for termination. HUD-VASH participants will be required to acknowledge on an annual basis that housing assistance is conditioned on participation in case services. The case management requirement will be an addition to the Family Obligations described in Chapter 5 of the St. Petersburg Housing Authority Housing Choice Voucher Administrative Plan.
- ✓ It is not grounds for termination if the VAMC determines that the Family no longer requires case management.

Transfer from HUD-VASH to Tenant-Based Assistance

If the VAMC Service Provider no longer requires case management or the Veteran will no longer reside with the Family, the SPHA may offer the Family a regular tenant-based voucher, if available, in the tenant based program to free up the HUD-VASH voucher for another Family. The offer of a tenant-based voucher assistance is pending funding availability. Receipt of a regular tenant-based voucher is subject to the eligibility requirements set forth in Chapter 2 of the St. Petersburg Housing Authority Housing Choice Voucher Administrative Plan.

Project-Based Assistance

Although HUD-VASH are tenant based rental assistance, the Department of Leased Housing will consider on a case by case basis, requests from the SPHA (with the support of the VAMC Service Provider) to project-base these vouchers in accordance with 24 CFR part 983.

Reporting Requirements

The code “VASH” must be used in section 2n of the HUD-50058 form to indicate that the Family is a HUD-VASH Participant. The “VASH” code must remain on the HUD-50058 for the duration of the Family’s participation in the HUD-VASH Program.

Informal Reviews and Hearings

If a HUD-VASH family is denied assistance or has its assistance terminated it is entitled to an informal review or hearing respectively. Families are entitled to this review in accordance with 24 CFR 982.554 or 982.555 as applicable. This includes denial of admission due to the limited reasons noted in the Operating Requirements (over-income and the homeless veteran is a sex offender subject to lifetime registration under state law) and termination of assistance for failure to comply with program requirements including compliance with case management as determined by the VAMC Service Provider. If an applicant is denied, SPHA must inform the applicant, and the VAMC that the applicant is not eligible.

Additional Requirements

- ✓ If a homeless Veteran dies the voucher would remain with the remaining members of the tenant family. The SPHA will use its own voucher, if available, to continue assisting this family and free up a voucher for another HUD-VASH eligible family. If a regular voucher is not available, the family would continue utilizing the HUD-VASH Voucher.
- ✓ If there is a case of separation or divorce, the voucher must remain with the Veteran.
 - This, in effect overrides the SPHA policies on how to determine who remains in the program if a family breaks up (24 CFR Section 982.54(d)(11)).
- ✓ Any homeless veteran family that is low income (i.e. families with income at or below
 - 80% of the area median income may qualify for VASH). 924 CFR 5.603(2007).
- ✓ VAMC service provider will provide SPHA with records and information necessary to evaluate the program (the only reporting form mentioned is the 50058).
- ✓ If the VA service provider verifies to the SPHA that the family has failed to participate in services without good cause, then the SPHA must terminate the voucher.
- ✓ The extremely low income families may count toward SPHA 75% requirement, but need not count VASH families in the total number of assisted families for this calculation. HUD has waived requirement that eligible veterans have a chronic mental illness or a chronic substance abuse disorder.
- ✓ 50% of the SPHA’s allocation of HUD-VASH voucher (rounded down) may be project based. This number must be within the 20% maximum budget authority that may be allocated to project-based voucher assistance in accordance with 24 CFR Section
 - 982.3(a) – the SPHA must consult with the VAMC service provider and must have

the VAMC service provider support for HUD to consider project-based projects.

- If SPHA determines an applicant is not eligible, SPHA will provide applicant family with denial reason and the applicant has opportunity for an Informal Review if they provide a request within 14 calendar days of denial notice. If the Hearing Officer upholds denial reason, the SPHA must inform the tenant and the VA Local Service Provider the reason for the denial. Process ends for applicant.

CHAPTER 22

(HCV) Homeownership Program

The St. Petersburg Housing Authority (SPHA) Housing Choice Voucher Homeownership Program is designed to expand homeownership opportunities for voucher participants. This program will assist HCV participants to transition from rental assistance to homeownership using their voucher assistance.

The HCV Homeownership Program is available to all voucher holders who meet the minimum qualifications set forth in this plan and who have the ability to independently secure a mortgage loan.

A. HOUSING CHOICE VOUCHER RULES APPLY

With the exception of unique eligibility and “family obligation” procedures identified elsewhere in the chapter, SPHA will administer the HCV Homeownership program in accordance with all the policies and procedures contained in the HCV Administrative Plan and 24 CFR Part 982.

B. ELIGIBILITY REQUIREMENTS FOR FAMILIES

Participation in the HCV Homeownership Program is voluntary. Each participant must meet the general requirements for admission to the HCV rental program as set forth in the SPHA Section 8 Administrative Plan. The family must also meet all eligibility requirements of the HCV Homeownership Program.

B.1 General Requirements

- ✓ Only current participants in the HCV rental program who have received assistance for at least one full year may apply for the homeownership program.

The family must satisfy the prerequisite of being in “good standing” prior to receiving a Certificate of Eligibility for the homeownership program. For the purposes of the homeownership program, “good standing” is defined as meeting all of the conditions prior to and during the homeownership shopping period, as outlined below.

- ✓ Within the past year, the family has met all the HUD and SPHA family obligations under the HCV program.
- ✓ Within the past year and throughout the homeownership shopping period, the family may not owe SPHA or any other housing authority any outstanding debt nor enter into a repayment agreement. A participant may become eligible to apply for the homeownership program on the first anniversary date of full payment of any debt, subject to meeting the other conditions of good standing.

- ✓ The Family must be a “first-time homeowner.”

To qualify as a “first-time homeowner,” the assisted family may not include any person with a “present ownership interest” in a residence during the three years before the commencement of homeownership assistance for the family. Cooperative membership shares acquired prior to the commencement of homeownership assistance are exempt from this rule. A single parent or displaced homemaker who, while married, owned a home with his or her spouse, or resided in a home owned by his or her spouse, is considered a “first-time homeowner.”

Other conditions also apply to “first-time homeowner” definition:

- ✓ No family member may have a present ownership interest in a second residence while receiving homeownership assistance.
- ✓ If SPHA determines that a disabled family requires homeownership assistance as a reasonable accommodation, the first-time homeowner requirement does not apply.
- ✓ SPHA will not commence homeownership assistance for a family if any family member has previously received assistance under the homeownership option, and has defaulted on a mortgage securing debt incurred to purchase the home.
- ✓ The Family must demonstrate a minimum down payment of at least three percent (3%) or more. One percent (1%) of the purchase price of the property must come from the family’s personal resources. If working with an agency such as Habitat for Humanity their guidelines may be followed to satisfy the One percent (1%) requirement.

The Family must meet the minimum income standards defined below:

- ✓ For a family whose head or co-head of household, spouse or sole member is an individual that experiences permanent disability, the standard is equal to the monthly Federal Supplemental Social Security Income (SSI) benefit for an individual (1 person) living alone (or paying his or her share of food and housing costs) multiplied by twelve.
- ✓ For non-disabled or elderly families, the minimum income standard is the state minimum wage multiplied by 2,000 hours ($\$8.05 \times 2100 = \$16,100$.) This standard as a SPHA option is greater than the HUD minimum income requirement.

For purposes of program eligibility, welfare assistance may only be counted as income in cases where the family meets the definition of an elderly or disabled family.

If a family has a minimum income equal to or greater than the Federal minimum wage \$7.25 multiplied by 2,000 hours (\$14,500 as of July 24, 2009) but less than the state minimum wage multiplied by 2,000 hours, the family will meet the minimum income requirement if the family can demonstrate it has located a PHA approvable unit and has secured PHA approvable financing for that unit and meets all other program requirements.

The family shall be considered to have satisfied the lender requirement if the family can demonstrate that it has been pre-qualified or pre-approved for financing with an acceptable loan product. The pre-qualified or pre-approved financing amount must be sufficient to purchase housing that meets HUD Housing Quality Standards (HQS).

- ✓ The Family must attend and satisfactorily complete a SPHA HUD approved Home Choice pre-assistance housing counseling program, and any other counseling prescribed by SPHA.

B.2 Employment Obligations

Except for a disabled family or an elderly family, assistance under the homeownership program is limited to families who demonstrate a stable work history. The employment requirement is used to determine eligibility and is a requirement throughout the period of homeownership assistance.

Regular seasonal employees and self-employed workers, who have a demonstrated work history averaging thirty (30) hours per week on an annualized basis and an annualized income at or above the minimum income, will be considered continuously employed for purposes of HCV Homeownership program eligibility and subsequent employment requirements.

The Family head of household, spouse, or adult that will be on the mortgage document is required to document full-time (no less than 30 hours per week), continuous employment for a period of no less than 12 months prior to application.

- ✓ The head of household, spouse or co-head must document earned income of no less than the state minimum wage times 1560 hours ($\$8.05 \times 1560 = \$12,558$) during the preceding 12 months.
- ✓ The Family head of household, spouse or adult on the mortgage document must remain continuously employed (no less than 30 hours per week) while participating in the program.

For eligibility purposes, continuous employment is defined as: **“No gap in employment lasting more than four weeks total during the past year.”** Continuous employment for seasonal employees and self-employed workers is defined as two consecutive years of regular seasonal employment where SPHA ‘annualizes’ family income when determining family rent.

- ✓ Part-time employment by both parties, totaling over 30 hours per week, does not constitute full-time employment by either party.

SPHA has the discretion to interpret small gaps in employment. Permissible gaps can only occur if loss of employment resulted from measures beyond the employee’s control (layoff, medical emergency); and did not result in an employment gap of more than four consecutive weeks.

Documentation of the initial employment and continued requirement for the HCV Homeownership program will be completed using the *Employment Verification* form. All verifications will be completed via EIV, third-party written or oral communication with the family's employer.

Lenders may have separate requirements and further require participants to demonstrate a history of full-time, continuous employment of no less than 24 months at 40 hours per week. The employment requirement is not applicable to elderly families or those whose head of household, spouse, or co-head are verified disabled in accordance with the occupancy definition of disabled.

C. APPLICATION PROCESS

Applicants may contact a Housing Specialist to receive information about HCV Homeownership Program and a *Homeownership Preliminary Application*.

C.1 Preliminary Application Form

The Family must complete and submit the *Homeownership Preliminary Application* to the Homeownership Specialist for review. The application includes information on income, assets, obligations, and family composition.

C.2 Preliminary Application Requirement Orientation

1. Documentation of attendance at an SPHA Homeownership Orientation Housing Seminar. A list of qualification documentation will be given to all applicants. Documents that must be attainable will include:

- A current bank statement verifying \$1,000 in savings designated toward the one percent (1%) of personal funds down payment requirement. Applicants must document a three percent (3%) down payment with the mortgage lender prior to closing.
- An SPHA *Employment Verification* form.
- A signed *Homeownership Landlord Reference* form.
- If applicable, a verification of disability, if not on file.
- The family must document household composition for all individuals who will reside in the household.

C.3 APPLICATION REVIEW

Upon receipt of a HCV *Homeownership Preliminary Application*, the Homeownership Specialist determines whether the Family meets the eligibility criteria for the program. The application review will include:

1. Evaluation of family composition and HCV rental status.
2. Review of income, savings, and disability documentation.
3. Verification that the Family is in compliance with all lease provisions using the SPHA *Landlord Reference* form.
4. Evaluation of employment history.

All documentation is subject to independent verification by SPHA program staff. The Homeownership Specialist will review the file for discrepancies or omissions. If, at any time throughout the process, the Homeownership Specialist sees a discrepancy in reported income, assets, or family share, he/she shall report it to the HCV Officer. The HCV Officer shall perform an interim reexamination, resolve whether further action is necessary, and report the outcome to the Homeownership Specialist.

If, in the course of a loan application, a loan originator, or other third party, document income not previously reported to SPHA, SPHA will conduct an interim reexamination of income. Should the reexamination result in a debt or proposed repayment agreement, SPHA shall retain sole discretion to withdraw the *Certificate of Eligibility* subject to the outcome of any grievance procedure related to the income discrepancy. The participant family must remain on the HCV program for an additional year, in good standing, before SPHA may re-issue a *Certificate of Eligibility*.

D. DETERMINING “MORTGAGE READY” APPLICANTS

Applications for homeownership are date-stamped. Complete applications – those with all necessary attachments in place – are placed on a waiting list in order of date and time received.

A *Certificate of Eligibility* is awarded on a first-come, first-served, basis after a family is determined eligible and “mortgage ready.” The *Certificate* contains an estimate of the amount of HAP available to the family. This estimate is useful to the family and lender when determining the housing and debt ratios.

D.1 Incomplete Applications

Incomplete applications will not be reviewed and will be returned to applicants for completion. A checklist of application deficiencies will be attached to the incomplete application. Participants must correct all deficiencies noted on the checklist and resubmit the checklist, complete application, and attachments, for additional consideration. Applications that are returned for incompleteness will be re-stamped and dated when they are returned complete.

D.2 Homeownership Counseling

SPHA will provide homeownership counseling via a third party entity prior to application, after a *Certificate of Eligibility* is issued, and post-purchase counseling. An HCV applicant must attend

and satisfactorily complete the HUD approved counseling program. The counseling program covers the topics listed below. Applicants who SPHA determines are not yet “mortgage ready” may be required to obtain additional information on any of the following issues:

1. Is homeownership right for you?
2. Special needs of disabled home buyers/fair housing issues;
3. Budgeting and money management;
4. Credit counseling;
5. How to negotiate the purchase price of a home;
6. 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;
7. How to find a home, including information about homeownership opportunities, schools, and transportation services in the area;
8. Information about the Real Estate Procedures Act, State and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions;
9. Home maintenance;
10. Taxes, proration of taxes if assisted by the program;
11. Inspection criteria, HQS requirements, special requirements in the contract for sale;
12. Voucher, eligibility, and continuous eligibility requirements;
13. Post purchase counseling.

E. CERTIFICATE OF ELIGIBILITY

SPHA shall use a priority mechanism to ensure a fair and equitable selection of new applicants. Upon securing a sufficient number of applicants to ensure full utilization of the program, SPHA shall resort to its traditional use of priority and then date and time of application.

- The priority is established with Board of Commissioners’ approval and is limited to the initial admissions process. A sufficient window of opportunity shall exist to ensure equal representation of eligible applicants within the priority pool.
- Priority will be given in the following order:
- Families that have verified that they meet the eligibility requirements and are acceptable for lender/loan requirements by a qualified lender with qualified loan products
- All other eligible families
- Other families that are participating to achieve eligibility

If the HCV Program Administrator determines that a family meets minimum eligibility criteria, he/she may issue a *Certificate of Eligibility* to enable the Family to shop for a home purchase. The Homeownership Specialist will deliver the *Certificate of Eligibility* and a copy of the *Homeownership Application* to the participant. These documents will assist the Family in

determining the maximum sales price and loan amount in the pre-qualification process in conjunction with their lender.

Whenever an opening occurs in the program, SPHA will select the next available applicant for an intake interview. The Homeownership Specialist will interview the Family to ensure that all the information contained in their *Homeownership Application* is current and that the family is eligible for homeownership.

The issuance of a *Certificate of Eligibility* does not guarantee that a participant will have the ability to secure a homeownership loan. Other considerations such as the housing market, the family's credit history, total indebtedness, and current income will be factors that will determine a participant's ability to secure a home mortgage. All participants will qualify independently through a mortgage lender of their choice.

E.1 Changes in Family Size or Composition

All changes in family composition must be reported prior to the change to the Housing Specialist and the Homeownership Specialist. The *Certificate of Eligibility* will reflect the applicable subsidy standard SPHA assigns to the family based upon the family's size and composition. The final *Housing Assistance Payment Certificate* will be issued based upon the subsidy standard applicable on the date of closing.

E.2 Changes in the Payment Standards

The payment standard applicable on the date of closing establishes the baseline payment standard for the unit. If the payment standard changes after an offer to purchase has been made, but prior to closing, the payment standard applicable on the date of closing applies. SPHA will reissue a revised *Certificate of Eligibility* effective on the effective date of the new Payment Standard.

F. ELIGIBLE UNITS

Eligible homes must be located within the respective geographic boundaries that govern the SPHA's HCV rental program.

A family approved for homeownership assistance may purchase the following type of homes:

- A new or existing home;
- A single-family home;
- A condominium;
- A home in a planned use development, a cooperative, a loft or live/work unit;
- A manufactured home, if situated on a privately owned lot or on a leased pad in a mobile home park.

If the family does not own fee title to the real property on which the home is located, the family must have the right to occupy the site for a period of at least forty (40) years and the home must have a permanent foundation.

A unit can be under construction at the time a family enters into the contract of sale. A unit is considered to be “under construction” if the footers have been poured. The PHA will not commence Housing Assistance Payments until the unit has satisfactorily passed an HQS and Independent inspections and meet all other program requirements.

For SPHA-owned units all of the following conditions must be satisfied:

- SPHA informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and a SPHA-owned unit is freely selected by the family without SPHA pressure or steering;
- The unit is an eligible housing unit;
- SPHA will inspect the unit for compliance with HQS, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any SPHA provided financing. All of these actions must be completed in accordance with program requirements. SPHA will obtain the services of a neighboring PHA or other independent HCV administering agency to perform these services, so long as the independent agency is operating a HCV Program.

For units not yet under construction. Families may enter into contracts of sale for units not yet under construction at the time the family enters into the contract for sale. However, the PHA shall not commence homeownership assistance for the family for that unit, unless and until:

(1) Either:

- (i) The responsible entity completed the environmental review procedures required by 24 CFR part 58, and HUD approved the environmental certification and request for release of funds prior to commencement of construction; or
- (ii) HUD performed an environmental review under 24 CFR part 50 and notified the PHA in writing of environmental approval of the site prior to commencement of construction;

(2) Construction of the unit has been completed; and

(3) The unit has passed the required Housing Quality Standards (HQS) inspection and independent inspection.

G. FAMILY SEARCH AND OFFER TO PURCHASE

At the time the *Certificate of Eligibility* is issued, the family is placed in “home shopping status.” The family has 180 days to locate and make an offer on a home, and secure a prequalification letter from their lender. The Homeownership Specialist may recommend three additional 30 day extensions not to exceed a total of 270 home shopping days. Additional 30- day extensions are available on a case-by-case basis, subject to approval by the HCV Officer or their designee.

During a participant’s search for a home, their housing choice voucher rental assistance shall continue. The participant family remains subject to all applicable rules and regulations.

H. CONTRACT OF SALE

Eligible homes must be located within the boundaries of the St. Petersburg Housing Authority HCV Program. The seller cannot be an individual, company, or corporation who has been debarred, suspended, or is subject to a limited denial of participation by HUD or SPHA. SPHA may deny approval of a seller for any reason provided for disapproval of an owner under the voucher rental program regulations.

Before commencement of homeownership assistance, the homeownership applicant must enter into a contract of sale, or earnest money agreement, with the home seller.

SPHA will provide the buyer with an *Addendum to the Residential Purchase Agreement*. Both the buyer and seller must execute the earnest money agreement and *Addendum*.

The *Addendum to the Residential Purchase Agreement* shall contain the following provisions:

1. Specify price and other terms of sale by the seller to the purchaser.
2. Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.
3. Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser and SPHA.
4. Provide that the purchaser is not obligated to pay for any necessary repairs.
5. Specify that an HQS inspector be granted access to the property to perform an HQS inspection prior to closing. Homeownership assistance is contingent on satisfactory inspections by both inspectors and subject to approval by SPHA.
6. Specify that the seller has not been debarred, suspended, or subject to a limited denial of participation in a HUD program under 24 CFR.
7. Specify that before Buyer is obligated under any contract to purchase Property, Seller shall permit Buyer a 10-day period (unless the parties mutually agree, in writing, upon a different period of time) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards. Buyer may waive the opportunity to conduct the risk assessment or inspection by so indicating in writing.

The *Addendum to the Residential Purchase Agreement* shall contain the following provisions if the unit is not yet constructed:

1. The purchaser is not obligated to purchase the unit unless an environmental review has been performed and the site has received environmental approval prior to commencement of construction in accordance with 24 CFR 982.628.
2. The construction will not commence until the environmental review has been completed and the seller has received written notice from the PHA that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.
3. Commencement of construction in violation of either of the above two provisions voids the purchase contract and renders homeownership assistance under 24 CFR part 982 unavailable for purchase of the unit.

I. HOME INSPECTIONS

Two home inspections are required prior to purchase: (1) An independent home inspection, and (2) an HQS inspection.

I.1 Independent Home Inspection

HUD regulations require a home inspection by an approved independent, professional home inspector. The family is required to select and pay for a home inspector to identify any physical defects and determine the condition of the major building systems and components. The buyer and SPHA must receive a written report of this examination describing the observable major defects, required repairs and/or accessibility modification requirements.

The inspector shall also be acceptable to the local lending institutions. In all cases the inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical and heating systems. The unit must pass a termite or wood destroying organism report and any other requirements as determined by the State.

SPHA may not require the family to use an independent inspector selected by SPHA. The independent inspector may not be a SPHA employee or contractor, or other person under control of SPHA. However, SPHA has established standards for qualification of inspectors selected by families under the homeownership program.

SPHA and the family will discuss the results of the inspection and determine if any repurchase repairs are necessary. Inspections performed by an independent inspector, performed at periodic points in the homebuilding process, may be utilized. The cost of the inspection is included in the cost of the home. SPHA may disapprove the unit for purchase based on the results of the independent inspection.

I.2 Housing Quality Standards (HQS) Inspection

A Housing Quality Standards (HQS) inspection is required whenever the home is 100% ready for occupancy. The condition of the home must satisfy HQS standards before a sale may occur. SPHA will conduct a Housing Quality Standards (HQS) inspection first, and if satisfactory, then require the independent inspection.

However, SPHA will conduct interim HQS inspections every five (5) years. SPHA has this option to inspect the unit if it has reason to believe the home would no longer meet HQS standards, or has reason to believe that unauthorized individuals are living in the household or threatens the peaceful enjoyment of the surrounding neighborhood.

A PHA inspection is required if the PHA has granted as a reasonable accommodation an additional bedroom size for medical equipment or for a live-in aide. The inspection is to verify that the additional bedroom is being used for its intended purpose. If the extra bedroom is not being used for the intended purpose, the PHA must reduce the subsidy standard and corresponding payment standard at the family's next annual recertification.

Non-compliance with HQS standards may jeopardize a family's housing assistance payment. If the home does not pass the initial HQS inspection, then the Homeownership Specialist will discuss with the purchasing family whether it would be more feasible to locate another home to purchase, or to have the needed repairs completed prior to the sale.

J. FINANCING AND AFFORDABILITY OF PURCHASE

It is the responsibility of the family to secure financing for the home purchase. The issuance of the *Certificate of Eligibility* does not guarantee that a family has the ability to secure financing for a home purchase. The Homeownership Specialist and/or partner agencies will provide guidance to potential home buyers to ensure they avail themselves of various down payment assistance programs, optimum loan packages, mortgage interest rates, and ways to avoid predatory lending practices.

The PHA demonstrates its capacity to administer the HCV Homeownership program by requiring the financing to purchase a home either be provided, insured, or guaranteed by the state or Federal government; comply with secondary mortgage market underwriting requirements; or comply with generally accepted private sector underwriting standards.

J.1 Down Payment Requirement

The purchasing family is required to invest at least three percent (3%) of the purchase price of the home. This investment can take the form of a down payment, closing costs, or a combination of the two. Of this sum, at least one percent (1%) of the purchase price must come from the family's personal resources.

If the family is an FSS graduate, the FSS escrow may be used to meet 50% of the down payment and closing costs contribution requirements established by SPHA.

The buyer may acquire financing through any SPHA approved lender. If the home is purchased using FHA mortgage insurance, it is subject to FHA mortgage insurance requirements.

Qualified participants may use the value of rental assistance as a form of "income" to help them qualify for a mortgage. Their assistance may be applied directly against their mortgage payment, therefore enabling a borrower to qualify for a home purchase.

There is no prohibition against using local/state grants or other subsidized financing in conjunction with the Housing Choice Voucher Homeownership Program. The program can be combined with a variety of mortgage loan products and other HUD programs to assist a potential home buyer in achieving the most favorable interest rate and terms of purchase.

J.2 Lending Partners

SPHA may not influence a family's choice of lending options by limiting the use of homeownership assistance to particular units, neighborhoods, developers, lenders or require a family to use a set financing approach. However, HUD encourages local public housing authorities to develop partnerships with lenders to better serve the needs of families. SPHA will counsel the family to avoid predatory lenders or lending practices. SPHA will honor any financing package that arises from any lender approved by the Homeownership Specialist.

J.3 Underwriting Options

The following underwriting options are suggested under this program. The lender will decide upon the option based upon income and borrower qualifications determined on a case-by-case basis by the lender, and dependent upon the specific loan products utilized.

Option One: Deduct HAP from Principal, Interest, Taxes & Insurance (PITI)

The borrower's HAP is applied directly to the PITI, and the housing debt to income ratio is calculated on the "net housing obligation" of the borrower.

Option Two: Add HAP to Borrower's Income

Calculate total income as a combination of the tax-exempt HAP (grossed up by 25%) and the borrower's income from employment using underwriting ratios specific to the loan product being used.

Option Three: Two Mortgage Approach

Borrower qualifies for the first mortgage (PITI) using only earned income. The HAP is used to pay the full P&I for a second mortgage.

J.4 Loan Restrictions

Mortgages with balloon payments, interest only, or variable interest rates are not allowed under SPHA's program. The buyer may not enter into a seller financing or lease-purchase agreement under this program.

SPHA reserves the right to review lender qualifications and the loan terms before authorizing homeownership assistance. SPHA may disapprove proposed financing of the debt if SPHA determines that the debt is unaffordable. In making this determination, SPHA will take into account family expenses such as child care, un-reimbursed medical expenses, homeownership expenses, and other family expenses, in addition to the participant's income.

SPHA must approve any proposed refinancing of the property.

- Refinancing the property, without prior written approval from SPHA, may result in termination of the HCV Homeownership assistance.

In making its determination, SPHA will take into account the reason(s) for the request to refinance, as well as the current assets and liabilities of the family, and how the refinancing will impact the total tenant payment. Homeownership assistance may continue if refinancing is approved, but will be limited to the remaining term based on the initial mortgage loan.

K. CONTINUED ASSISTANCE: FAMILY OBLIGATIONS

After a home is located, but before homeownership assistance can begin, the family and SPHA must execute a HUD prescribed "Statement of Homeowner Obligations." In the statement the family agrees to comply with all obligations under the homeownership option. The initial "Statement of Homeowner Obligations, HUD-52649" will be reviewed and executed at the HCV homeownership application appointment.

The family must also execute the *SPHA Statement of Family Obligations* which details the additional SPHA HCV Homeownership Program obligations.

K.1 Continuous Reporting Requirements

SPHA will reexamine the family's income and composition on an annual basis.

After purchase of the home, the family must continue to adhere to the "HUD Statement of Homeowner Obligations" and the *SPHA Statement of Family Obligations* in order to continue to receive the monthly housing assistance payment. The *SPHA Statement of Family Obligations* will be reviewed by the family and signed at each annual reexamination.

A family must disclose all changes in income within ten (10) days of the change and at the annual reexamination. Failure to disclose or accurately report changes will jeopardize a family's continued participation in this program. A family may not add an adult household member without prior SPHA approval. SPHA will deny admission to any individual who would otherwise not qualify for admission to the program due to criminal history, drug related history, or registry on a sex-offender list.

Participant must agree to attend post-purchase counseling sessions in conjunction with acceptance into this program to continue to receive assistance. SPHA may require families who become delinquent on their mortgage payments to participate in additional homeownership and/or credit counseling classes.

SPHA may deny or terminate assistance for violation of participant obligations as described in the "HUD Statement of Homeowner Obligations," the *SPHA Statement of Family Obligations*, or other program obligations.

K.2 Continuous Employment Obligations

- The Family head of household or spouse must remain continuously employed (no less than 30 hours per week) while participating in the program.
- Part-time employment by both parties, totaling over 30 hours per week, does not constitute full-time employment by either party.

For continued eligibility purposes, continuous employment is defined two ways. Continuous employment by the head, spouse or co-head defined as full-time employment (average of 30 hours per week) with no gap in employment lasting more than 90 days; or earned income received by the head, spouse or co-head during the past year greater than the state minimum wage times 1560 hours ($\$8.05 \times 1560 = \$12,558.00$) with no gap in earned income lasting more than 90 days.

The employment requirement is not applicable to elderly families or those whose head or cohead of household, spouse or sole member experience permanent disability.

K.3 Mitigating Circumstances

If a working family is subsequently determined by SPHA to now qualify as a “disabled family,” as defined by HUD, the full-time employment requirement is no longer applicable to that family.

SPHA 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.

SPHA will allow week-for-week substitutions whenever any of these benefits are received.

The participant must return to full-time employment within 30 days after exhaustion of unemployment benefits.

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 exhaustion of applicable benefits.

Consideration of other mitigating circumstances is at the discretion of the SPHA Homeownership Specialist. The decisions are subject to final approval by the HCV Officer.

K.4 Guests and Changes in Family Composition

All changes in family composition must be reported to the Homeownership Specialist. All new family members must be approved as eligible residents before moving into the residence.

Family guests are permitted for a period not to exceed 30 days in any calendar year. SPHA may consider persons who exceed the 30-day occupancy limit, or who use the residence as a personal mailing address, as an unauthorized family member. The family may be in violation of their family obligations and SPHA may take appropriate action up to and including termination of assistance.

K.5 Other Continued Family Obligations

In addition to completing the HUD *Statement of Homeowner Obligations* and SPHA’s *Statement of Family Obligations Addendum* prior to the issuance of the homeownership voucher, the family

agrees to comply with all family obligations under the Homeownership Program, including but not limited to:

The family must comply with the terms of any mortgage securing debt incurred to purchase the home or any refinancing of such debt.

At any time the family is receiving homeownership assistance, the family may not sell or transfer any interest in the home to any entity or person other than a member of the assisted family residing in the home.

A home equity loan or any refinancing may not be acquired without the prior written consent of SPHA.

The family must provide required information regarding income and family composition in order to correctly calculate the total tenant payment (TTP) and homeownership assistance, consistent with the HCV requirements and any other information requested by SPHA concerning financing, the transfer of any interest in the home, or the family's homeownership expenses.

While receiving homeownership assistance, the family must notify SPHA if the family defaults on a mortgage securing any debt incurred to purchase the home.

While receiving homeownership assistance, the family must notify SPHA before the family moves out of the home.

The family must, at annual reexamination, document that the family is current on mortgage, insurance, escrow accounts, and utility payments.

The family is prohibited from moving more than one time in a one (1) year period. The family may be required to participate in pre- and post-purchase homeownership counseling prior to re-housing.

While receiving homeownership assistance, no family member may have any ownership interest in any other residential property.

Sign a release allowing SPHA, counselors, real estate agents, and participating lenders to exchange information on the borrower.

Agree to maintain the condition of the home to comply with minimum HUD Housing Quality Standards (HQS).

Acknowledge that the termination of assistance shall be in accordance with program requirements and the Administrative Plan.

Acknowledge that the family is obligated for the whole mortgage payment in the event of termination of assistance.

Disclose any and all changes of family composition and family income immediately to SPHA. Agree that the family must immediately notify SPHA of any late payment, delinquency notices, or default notices and must agree to participate in default counseling with a designated agency to become current.

Agree to attend any identified financial, homeowner or post purchase counseling during time of assistance.

Agree to the continued employment requirement as stated in SPHA's Administrative Plan.

L. MAXIMUM TERM OF HOMEOWNERSHIP ASSISTANCE

For non-elderly and non-disabled households, homeownership assistance is available for a maximum 15-year term for mortgages with a 21-year or longer term and a maximum 10-year term in all other cases. The term is calculated from the date of issuance of the first housing assistance payment on the initial mortgage loan.

Families that qualify as a disabled family at the commencement of homeownership assistance, or at any time during the provision of homeownership assistance, are not subject to the 15-year term limitation. Homeownership assistance is available for a disabled family as long as the family remains eligible for the program.

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 21 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 10 or 15-year term has expired then the family will receive 6 months of monthly HAP payments and then the homeownership assistance will terminate.

In the case of an elderly family, the maximum term is for as long as they are eligible, provided the family qualifies as an elderly family at the start of homeownership assistance and continues to qualify as an elderly family.

Upon the death of a family member who holds, in whole or in part, title to the home, homeownership assistance may continue, pending settlement of the decedent's estate. The home must be solely occupied by remaining family members in accordance with 24 CFR 982.551(h).

For a nonelderly/nondisabled family, the total homeownership assistance received by a family, whether on different homes or through different public housing agencies, cannot exceed the eligible term of assistance based on the of the initial mortgage loan.

M. HOUSING ASSISTANCE PAYMENT (HAP)

While the family is residing in a homeownership unit, the HAP is equal to the lower of: (1) the payment standard minus the total tenant payment, or (2) the monthly homeownership expenses minus the total tenant payment.

The family is responsible for all monthly homeownership expenses not reimbursed by the housing assistance payment. Homeownership expenses include:

- principal and interest on the initial mortgage debt and any refinancing of such debt;
- any mortgage insurance premium incurred to finance the purchase of the home;
- real estate taxes and public assessments on the home;
- home insurance;
- cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association;
- the land lease for land where the home is located;
- the SPHA utility allowance for the home; and
- principal and interest on debt incurred to finance major repairs, replacements or improvements on the home.

For an individual with disabilities, such debt may include those costs incurred by the family to make the home accessible.

N. PAYMENT STANDARD/SUBSIDY STANDARD

For initial homeownership assistance, the payment standard for the family is the lower of: (1) the payment standard for the family unit size, or (2) the payment standard for the size of the home purchased (number of bedrooms in the house). At the annual recertification or an interim recertification, SPHA will apply a payment standard that is the greater of: (1) the dollar amount of the payment standard used at the commencement of homeownership assistance, or (2) the SPHA

payment standard for family unit size, used at its most recent annual anniversary. [24 CFR 982.635]

The SPHA subsidy standards determine the bedroom-size that SPHA assigns to the family based upon its size and composition. The subsidy standards are approved by the SPHA Board of Commissioners. The initial subsidy standard applied to a homeownership family is the same standard used for the rental program. The standards applicable on the SPHA website at closing are the subsidy and payment standards applicable for the initial homeownership period. The *Certificate of Housing Assistance Payment* will be issued based on the current subsidy and payment standards in effect on the date of closing.

The respective payment and subsidy standard applicable on the date of closing establishes the baseline payment and subsidy standards for the unit. The payment standard for subsequent years is the greater of the payment standard at the commencement of homeownership assistance or the payment standard at the most recent annual re-examination. Unlike the voucher rental program, the initial payment standard will be the base for future housing payments. The payment standard will not drop below the initial payment standard dollar amount due to changes by HUD or due to changes in family composition.

O. PORTABILITY

SPHA will permit portability of HCV homeownership assistance to another jurisdiction subject to SPHA policies governing portability. The receiving jurisdiction must operate a HCV Homeownership Program for which the family qualifies and it must be willing to administer new homeownership families. In order to remain eligible for the program, the participant must sell the current home purchased under the HCV Homeownership Program and incur no mortgage default.

SPHA will also accept families from another HCV Homeownership Program subject to SPHA admission requirements for the homeownership program. It will administer the voucher if approved for homeownership.

P. MOVE WITH CONTINUED TENANT-BASED ASSISTANCE

A family receiving homeownership assistance may move to a new unit with continued assistance. A family member must not own any title or other interest in the prior home and may not move more than once per year. SPHA will review all requests to move with continued tenant-based assistance and may deny permission to move based on lack of sufficient funding to provide continued assistance or based upon the violations listed in Section Q of this document.

Q. TERMINATION OF HOMEOWNERSHIP ASSISTANCE

A family's homeownership assistance may be terminated if a family fails to comply with its obligations under the HCV Homeownership Program or if the family defaults on the mortgage.

Q.1 Failure to Comply with Homeowner Obligations

The family must comply with the terms of any mortgage incurred to purchase and/or refinance the home. The family must provide SPHA with written notice of any sale or transfer of any interest in the home; any plan to move out of the home prior to the move; notification of the family's household composition and income and homeownership expenses on an annual basis; and any notice of mortgage default received by the family. Except as otherwise specified in this plan, the family may not convey or transfer the home to any entity or person.

Homeownership assistance may be denied or terminated in accordance with any of the provisions listed at 24CFR 982.638 and/or SPHA requirements.

Q.2 Occupancy of Home

Homeownership assistance will only be provided while the family resides in the home. If the family moves out of the home, SPHA will not continue homeownership assistance commencing with the month after the family moves out. Neither the family nor the lender is obligated to reimburse SPHA for homeownership assistance paid for the month the family moves out.

Q.3 Changes in Income Eligibility

SPHA may adjust a family's homeownership assistance based upon changes in family income. The effective change shall occur 30 days after the month in which a reexamination of income occurred.

Participation in the HCV Homeownership Program shall continue until such time as the assistance payment amounts to zero for a period of 180 consecutive days. At that time the family will no longer be eligible and the HAP will be terminated. However, should the family go to zero HAP, for 180 consecutive days, the SPHA reserves the right to extend the period past 180 days up to an additional 24 months, should there be documented extenuating circumstances for an extension to the time period. Such documented extenuating circumstances include but is not limited to:

- Death in the family,
- Loss of employment or income due to no fault of the family,
- Documentation of a medical or financial hardship beyond the control of the family for a member of the assisted household.
- After receipt of verification, the SPHA shall reinstate the family into the program subject to available funding and other program requirements.

Q.4 Refusal to Meet Continuous Work Requirement

SPHA may terminate a working family's homeownership assistance based on a willful refusal to adhere to, or properly document, the full-time employment requirement.

Q.5 Family Requests a Return to Rental Assistance

SPHA will not provide the family with a rental voucher if they sell or default on the mortgage loan. The family will not have met all obligations under the HCV Program if either of these two things occurs.

R. MORTGAGE DEFAULT

If a family defaults on a mortgage, SPHA will not permit the family to move with continued assistance. Any decision to approve or deny rental assistance is based on HCV rental program policies and procedures addressed in the SPHA Administrative Plan.

S. INFORMAL HEARINGS [24 CFR 982.555]

An informal hearing will be provided for participants who are being terminated from the Program because of the family's action or failure to act as provided in 24 CFR 982.552. The rules and procedures set forth in the Administrative Plan, entitled "Informal Hearings," will apply.

T. Recapture [24 CFR 982.625]

SPHA will not recapture the Homeownership Voucher payments unless there was an act of fraud or misrepresentation of a material fact in order to obtain a benefit. The HCV Homeownership recapture provision does not apply to any other program funds that may be used in the transaction.

CHAPTER 23

(VAWA) Violence Against Women Act

TRANSFER POLICY

INTRODUCTION/GENERAL TRANSFER POLICY

1. Transfers will be made without regard to race, color, national origin, sex, religion, or familial status.
Residents can be transferred to accommodate a disability.
2. Residents will not be transferred to a dwelling unit of equal size except to alleviate hardship of the resident or other undesirable conditions as determined by the Executive Director or designee.
3. Residents will receive one offer of a transfer. Refusal of that offer without good cause will result in lease termination for mandatory transfers or the removal of the household from the transfer list for voluntary transfers.
4. SPHA will maintain separate Site Based Waitlists.

It is the policy of SPHA to permit a resident to transfer under certain conditions and to fulfill operational or regulatory requirements.

SPHA will always consider a request to transfer as a reasonable accommodation for a person with a disability. Except in emergency situations, property management may deny transfers when the family is not in good standing with SPHA due to serious or repeated lease violations. This may include non-payment of rent, housekeeping, history of disturbances, or destruction property.

It is the policy of the SPHA not to grant a unit transfer simply to accommodate neighbors who "cannot get along." Activities of the neighbors that impede the rights of others to the peaceful enjoyment of their unit will be treated as a lease violation and cause for termination of tenancy.

For purposes of this transfer policy the "sending development" refers to the unit the family is leaving and the "receiving development" refers to the unit to which the family is transferring.

Security Deposits

1. SPHA will charge the families for any damages to the previous unit.
2. Security deposits will be transferred from the old unit to the new unit.
3. Move-out charges will be posted to the new unit.

A. TYPES OF TRANSFERS

The order in which families are transferred shall be subject to the hierarchy by category set forth below.

Category 1: Emergency Transfers are mandatory when SPHA determines that conditions pose an

immediate threat to resident life, health or safety. Emergency transfers may be made to:

- permit repair of unit defects hazardous to life, health, or safety;
- alleviate verified disability problems of a life threatening nature; or
- protect members of the household from attack by the criminal element in a particular property or neighborhood.

SPHA will authorize an emergency transfer for a participant family when the resident's unit has been damaged by fire, flood, or other cause to such degree that the unit is not habitable, provided that the damage was not the result of an intentional act on part of the resident, resident's family, or guests of the resident.

These transfers shall take priority over new admissions.

Category 2 Administrative transfers include mandatory transfers to:

- alleviate verified medical problems of a serious (but not life-threatening) nature;
 - permit a family that requires a unit with accessible features to occupy such a unit.
 - remove residents who are witnesses to crimes and may face reprisals;
 - provide housing options to residents who are victims of hate crimes or extreme harassment;
- or
- permit modernization or demolition of units;

Requests for these transfers will be made to SPHA with necessary documentation to substantiate the need for such transfers. Transfers may also be initiated by SPHA (e.g. moving a person with mobility problems to a unit with accessible features).

Category 3 Administrative transfers include mandatory transfers to:

- correct serious occupancy standards problems.
- Category 3 transfers will only be made if the family size is so small that it includes fewer persons than the number of bedrooms, or so large that the household members over age 5 would equal more than two persons per bedroom.
- If a family's size is between the smallest and largest size permissible for the unit, the family may request a transfer, but it shall be considered a Category 4 transfer.

Category 3 or 4 transfers to correct occupancy standards may be recommended at time of annual re-examination or an interim redetermination.

When a head of a household, originally housed in a bedroom by him/herself, has or adopts a child, the family will not be approved for a Category 3 transfer until the child is five (5) years of age. Exceptions: spouse or partner returns to the unit, marriage takes place, or family decides to remain in the unit and the unit is large enough (using the smallest-unit standard) to accommodate the number of persons now in the household.

Split-family transfers will be processed as Category 3 administrative transfers.

- Families that split into 2 "new" households may be transferred to two different units or
- A portion of the "old" household may be transferred to a single unit depending on family circumstances and unit availability.
- Such transfers will be made in a manner that minimizes the impact on vacant units.

Category 4 Administrative transfers may be made to:

- avoid concentration of the most economically and socially deprived families;
- correct occupancy standards; or
- address situations that interfere with peaceful enjoyment of the premises. These transfers will not take priority over new admissions.

They will be processed at the rate of not to impose an administrative or maintenance burden on SPHA.

Category 5, Incentive Transfers:

Incentive Transfers: Incentive Transfers will be offered to residents without regard to their race, color, religion, sex, disability, or familial status.

Incentive transfer to NEWLY MODERNIZED UNITS:

- a. Depending on SPHA's vacant unit status, modernized units will be filled with incentive transfers, new applicants, or a combination of both. SPHA reserves the right to fill modernization units in a manner that has the least impact on vacant units.
- b. Prior to newly modernized units be completed, residents may be notified of the opportunity to request a transfer to the specified units. Property Managers may also recommend a resident for this incentive transfer.
- c. In order to be considered for an incentive transfer to a modernized unit the following conditions must be met for the past two years:
 - i. Residency in a SPHA development.
 - ii. Do not owe back rent or other charges, or evidence a pattern of late payment;
 - iii. 111. No delinquent repayment agreement or delinquent charges.
 - iv. No history of disturbances that resulted in lease violations or violence toward staff or neighbors as indicated by notices of lease violations in the applicant's file. This includes criminal activity that threatens the health and safety of residents and staff;
 - v. Good housekeeping record, including no housekeeping lease violations.
 - vi. Can get utilities turned on in the name of the head of household (applicable only to those select properties with tenant-paid utilities).
- d. There will be no exceptions granted to these conditions.

B. TRANSFER WAIT LIST MANAGEMENT

Each SPHA property will maintain its own site based transfer waitlist. Each Property Manager will be responsible for maintaining the Transfer Wait List, communicating with Maintenance, initiating the offer process and assuring all of the necessary documentation is completed.

1. In certain circumstances, transfers will be considered first before referral for the waiting list. However, due consideration shall be given to the number of vacant units prior to any transfer.
2. If for any reason the number of vacancies is significant to the extent that the transfers would place the Authority in a position of operational instability, restrictions such as a three to one (3: 1) ratio of new move-ins from the waiting list to transfer from within will be imposed to maintain financial stability of the program and operations (97-98% lease up to be used as a guideline).
3. The nature of transfers will also be considered even under these restrictions, as it is recognized that certain life endangering conditions, as may be cause for transfer cannot be restricted by operational objectives.
4. Property Managers are responsible for maintaining, inputting and updating the Transfer List.
 - Transfers will be sorted into their appropriate categories by SPHA staff. Admissions will be made in the following order:
 - **Category 1**-Emergency Transfers (immediate threat to resident life, health or safety), to include VAWA victims;
 - **Category 2**-Administrative Transfers - medical, reasonable accommodations, crime related or modernization;
 - **Category 3**-Administrative Transfers - serious occupancy standards issues (under housed)
 - **Category 4**-Administrative Transfers - de-concentration, occupancy standards (under housed) or peaceful enjoyment;
 - **Category 5** - Incentive Transfers
5. Within each category, transfer applications will be sorted by the date the completed file (including any verification needed) is received by SPHA.

C. TRANSFER REQUEST AND APPROVAL PROCEDURE

1. Residents applying for a transfer will submit a Transfer Request Form to their Property Manager stating the reason a transfer is being requested. Forms are not to be submitted for possible future events such as birth of a child or may get a live-in aide. The Transfer Request Form will also be used to document requests initiated by the SPHA (i.e.: to correct occupancy standard problem at re-exams/interims).
2. The property manager will evaluate the request and obtain the proper verification to determine if a transfer is justified. The property manager will also verify all of the criteria under the "good record requirement".

If the interview/verification process reveals that there is a problem at the family's present site, the manager will address the problem and once solved to the manager's satisfaction, the request for transfer may be approved.

If the request is denied, the property manager will send the family a Transfer List Notification stating the reason for denial, and offering the family an opportunity for an informal conference if they disagree with the decision.

3. All preliminary approved transfer requests will be maintained by the Property Manager. This will assure proper placement on the wait list.
4. If the request is approved, the Property Manager will send the family a

Transfer List Notification stating that their name has been placed on the transfer list for the reason and/or bedroom size needed.

5. If the request is denied, the Property Manager will send the family a Transfer

List Notification stating the reason for denial, and offering the family an opportunity for an informal conference if they disagree with the decision.

6. The Property Manager will maintain copies of all transfer correspondence sent to the family.
7. The approved transfer request form/file will be kept in a file arranged by bedroom size, category, and date the file/verifications were completed.

D. GOOD RECORD REQUIREMENT FOR TRANSFERS

1. In general, and in all cases of all resident-requested transfers, residents will be considered for transfers only if the head of household and any other family members for the past two years;
 - have not engaged in criminal activity that threatens the health and safety of residents and staff;
 - do not owe back rent or other charges, or evidence a pattern of late payment;
 - no delinquent repayment agreement or delinquent charges.
 - meet reasonable housekeeping standards and have no housekeeping lease violations; and
 - can get utilities turned on in the name of the head of household (applicable only to those select properties with tenant-paid utilities).
2. Due to a possible long time period between the date of the transfer request and actual unit offer, the good record requirement will be reviewed both from the date of the transfer request and again at the time of the unit offer.
3. Exceptions to the good record requirements may be made for emergency transfers or when it is to SPHA's advantage to make the transfer. The Director of Housing Operations taking into account the recommendation of the Property Manager will make the exception to the good record requirement.

Absent a determination of exception, the following policy also applies to transfers:

- If back rent is owed, the resident will not be transferred until a payment plan is established or, if prior payment plans have failed, back rent is paid in full.
- A resident with housekeeping standards violations will not be transferred until he/she passes a follow-up housekeeping inspection.

E. WAIT LIST MAINTENANCE AND OFFER PROCESS

Prior to an offer being made, an inspection of the tenant's current unit will be conducted to assure no lease violations exist, especially damage to the unit or poor housekeeping. The transfer may be denied based upon this inspection if serious violations exist, except in the cases of an emergency transfer, the need for a reasonable accommodation or SPHA mandated. The Director of Housing Operations must approve exceptions.

ACCEPTING AN OFFER

1. The Property Manager will contact resident and schedule an appointment for showing the unit. The appointment should be scheduled within two (2) working days.
2. The Resident will be given 24 hours to accept the unit after the appointment.
3. The time frame between the "appointment to show the unit" and "lease-up" should be as short as possible, and keys for the former unit should be returned within 72 hours of signing the new lease.
4. Efforts will be made to schedule the transfer over a weekend when possible, or to show the resident the unit when it becomes vacant (will allow more time to prepare for the move).

Example: Wednesday/Thursday - Appointment - Resident accepts the unit. Friday - Resident signs lease for new unit and is given keys. Monday - Keys for former unit returned and inspection completed.

- a. If over 72 hours, the situation must be discussed with the Director of Housing Operations for an extension. If approved, the extension and reason must be documented.
 - b. If not approved, the appropriate information must be documented and the proper action on the Transfer Wait List will be taken (see Refusing an Offer).
5. All personal belongings must be removed from the unit, the unit must be "broom swept", cleaned and keys returned at the end the of 72-hour period, otherwise, charges will be assessed.

REFUSING AN OFFER

If a family is on the transfer list and refuses an offered unit, they will be removed from the transfer list unless SPHA determines that the refusal was made for good cause. If so, the family will be allowed to remain in their unit and will remain on the transfer list until another unit is offered. All offers will be documented and reason for refusal will be documented. If the family refuses a second offer, their name will be removed from the Transfer Wait List.

The inconvenience or undesirability of changing schools for any minor child will not be considered good cause.

F. PROCESSING IN AND OUT OF A UNIT

A transfer will require good coordination and communication between the Property Manager and the resident. Both the Property Manager and the Resident must have a definite agreement as to when the "transfer" will take place and what the residents responsibilities are.

A transfer from one unit to another unit will not be considered a move-out.

- There will be no lapsed time between move-out and move-in. Effective dates must not overlap nor will both developments carry the resident on their books at the same time.
- The resident's records will show a continuous residence in public housing in one development or the other, but not in both developments at the same time.

G. EXTRAORDINARY CIRCUMSTANCES

Rent Adjustments

SPHA will notify the resident of the rent and/or security deposit change by use of a new Lease. The rent will be pro-rated as outlined in the Lease Agreement.

Reexamination Date

The date of the transfer does not change the reexamination date. The Property Manager should be certain that the annual review is properly scheduled and verify that the reexamination date did not change.

H. GRIEVANCE RIGHTS

Families disagreeing with the determination may grieve the decision. See Chapter 18, Complaints, Grievances and Appeals.

Placement on Section 8 Waiting List: Current residents of Public Housing who must be relocated from a unit, due to documented health and safety issues, as well as modernization activities, or other special circumstances as approved by the Executive Director, where no suitable unit is available within the next thirty (30) days within the SPHA inventory. Preference is given regardless of the status of the waiting list (open or closed). All applicants qualifying for this preference must be placed on the waiting list and their eligibility properly documented.

VAWA allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.¹ The ability of SPHA to honor such request for tenants currently receiving assistance however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether SPHA has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy. Refer to EMERGENCY TRANSFER PLAN FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING.

Eligibility for Emergency VAWA Transfers

¹ Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar- day period preceding a request for an emergency transfer. A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan. Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section. Refer to Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking.

I. COST OF TRANSFERS

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