

HOUSING CHOICE
VOUCHER PROGRAM

ADMINISTRATIVE PLAN

HOUSING AUTHORITY OF
THE CITY OF FOUNTAIN

JANUARY 1, 2018

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**Administrative Plan
Of the
Housing Authority of the City of Fountain**

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ADMINISTRATIVE PLAN REQUIREMENTS

All Public Housing Authorities (PHA) participating in the Department of Housing and Urban Development's (HUD) Housing Choice Voucher (HCV) Program must have an Administrative Plan (Plan) that covers the PHA's entire HCV Program and is in compliance with the requirements of 24 CFR 982.54. The Plan must include:

1. A statement of the PHA's overall approach and objective in administering the HCV Program: and
2. PHA policies on the following subjects:
 - a. Selection and admission of applicants from the PHA waiting list including: any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list;
 - b. Issuing or denying vouchers, including PHA policy governing the voucher term and any extensions or suspensions of the voucher term;
 - c. Any special rules for use of available funds when HUD provides funding to the PHA for a special purpose, including funding for specified families or a specified category of families;
 - d. Occupancy policies, including:
 - i. Definition of what group of persons may qualify as a "family";
 - ii. Definition of when a family is considered to be "continuously assisted";
 - iii. Standards for denying admission or terminating assistance based on criminal activity or alcohol abuse;
 - e. Encouraging participation by owners of suitable units located outside areas of low income or minority concentration;
 - f. Assisting a family that includes persons with disabilities;
 - g. Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit;
 - h. PHA screening of applicants for family behavior or suitability for tenancy;
 - i. Providing information about a family to prospective owners;
 - j. Disapproval of owners;
 - k. Subsidy standards;
 - l. Family absence from the dwelling unit;
 - m. How to determine who remains in the Program if a family breaks up;
 - n. Informal review procedures for applicants;
 - o. Informal hearing procedures for participants;
 - p. The process for establishing and revising voucher payment standards;
 - q. The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract);
 - r. Special policies concerning special housing types in the Program (e.g., use of shared housing);
 - s. Policies concerning payment by a family to the PHA of amounts the family owes the PHA;
 - t. Interim re-determinations of family income and composition;
 - u. Minimum rent requirements;

- v. Restrictions, if any, on the number of moves by a participant family (see Sec. 982.314(c));
- w. Approval by the Board of Commissioners or other authorized officials to charge the administrative fee reserve;
- x. Procedural guidelines and performance standards for conducting required HQS inspections; and
- y. Policies concerning application of Small Area Fair market rents to project-based voucher units

EQUAL OPPORTUNITY

The PHA will administer the HCV Program in a manner that will ensure consistent and fair treatment of all persons interested in Program participation.

The PHA will not discriminate at any stage of the application or participation process because of race, color, national origin, religion, sex, age sexual orientation, or disability. The PHA is bound by equal opportunity requirements of federal, state and local law. The PHA will abide by the applicable equal opportunity requirements of:

1. The Fair Housing Act (Title VIII of the 1968 Civil Rights Act), which prohibits discrimination based on race, color, religion, national origin, handicap, or familial status in the sale, rental or financing of housing;
2. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color or national origin in programs receiving federal financial assistance;
3. The Age Discrimination Act of 1975, which prohibits discrimination based on age in programs receiving federal financial assistance;
4. Executive Orders 11246, 11625, 12138, 12432 and 12259, 46 FR 1253 (1980) as amended;
5. Executive Order 11063, Equal Opportunity in Housing (1962), as amended, which prohibits discrimination based on religion or sex;
6. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination based on handicap in programs receiving federal financial assistance;
7. Section 3 of the Housing and Urban Development Act of 1968;
8. Title II of the Americans with Disabilities Act, which requires reasonable accommodation of persons with disabilities in all programs receiving federal financial assistance.
9. The Violence Against Women Reauthorization Act of 2013 (VAWA);
10. The Equal Access to Housing in HUD Programs regardless of Sexual Orientation or Gender Identity Final Rule, published in Federal Register February 3, 2012 and further clarified in Notice PIH 2014-20.

No preference will be shown to any applicant or participant because of political affiliation or acquaintance with any public official at the federal, state or local level. In addition, there will be no discrimination against any applicant or participant receiving part or all of his or her income from public assistance, or based upon the location of housing selected by the applicant or participant, if such applicant or participant is otherwise eligible.

APPROACH AND OBJECTIVES IN PROGRAM ADMINISTRATION

The PHA's objective in the administration of the HCV Program is to provide affordable, safe, decent and sanitary housing to low-income families residing or wishing to reside in this community. The PHA will ensure through its administration of the HCV Program that participants will be aware of the wide variety of housing types and neighborhoods available to them. All efforts will be made to encourage the participation by owners of suitable units, which are located outside areas of low income or minority concentration, and to ensure that participants take advantage of the freedom of housing choice and expansion of housing opportunities made possible by the HCV Program. By consistent and thorough enforcement of minimum housing quality standards, the PHA will enhance community efforts to improve and maintain the existing housing stock.

This Administrative Plan addresses all local discretionary program functions in the HCV Program. All other operational procedures will be developed and implemented according to the federal regulations found at 24 CFR 982. The requirements of the HCV Guidebook will also be followed.

DEFINITIONS

1. Covered Families – means a family who receives welfare assistance or other public assistance benefits (“welfare benefits”) from a State or other public agency (“welfare agency”) under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.
2. Disabled Family - means a family whose head, co-head, spouse or sole member is a person with disabilities. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.
3. Displaced Family – means a family in which each member or the sole member is a person displaced by government action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized by federal disaster relief
4. Drug means a controlled substance as defined in Section 102 of the Controlled Substances Act (21 U.S.C. 802).
5. 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.
6. Elderly Family – A Family whose head of household, co-head, spouse or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.
7. Eligible Single Person – A single person who is:

- a. eligible to receive old age benefits under Title II of the Social Security Act; or
 - b. a remaining member of a tenant family; or
 - c. displaced by government action or when a family dwelling has been extensively damaged and recognized as a federal disaster; or
 - d. disabled; or
 - e. single pregnant females; or
 - f. any other single person
8. Economic Self-Sufficiency Program – Any program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include programs for job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.
9. Extremely low income family – A family whose annual income does not exceed the higher of:
- a. The poverty guidelines established by the Department of Health and Human Services applicable to the family of the size involved; or
 - b. 30 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except HUD may establish income ceilings higher or lower than 30 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.
10. Family – A family may be a single person or a group of persons.
11. Federally assisted housing means housing assisted under any of the following programs:
- a. Public Housing;
 - b. Housing receiving project-based or tenant-based assistance under Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f);
 - c. Housing that is assisted under section 202 of the Housing Act of 1959, as amended by section 801 of the National Affordable Housing Act (12 U.S.C. 1701q);
 - d. Housing that is assisted under section 202 of the Housing Act of 1959, as such section existed before enactment of the National Affordable Housing Act;
 - e. Housing that is assisted under section 811 of the National Affordable Housing Act (42 U.S.C. 8013);
 - f. Housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act (12 U.S.C. 17151(d)(3)) that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act (12 U.S.C. 17151(d)(5));
 - g. Housing insured, assisted, or held by HUD or by state or local agency under section 236 of the National Housing Act (12 U.S.C. 1715z-1); or
 - h. Housing assisted by the Rural Development Administration under section 514 or section 515 of the Housing Act of 1949 (42 U.S.C. 1483, 1484).
12. Full-time Student- A person who is attending school or vocational training on a full-time basis.

13. Guest means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.
14. Household means the family and any PHA approved live-in aide.
15. Imputed Welfare Income. The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.
16. Low Income Family – A family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median income for the area on the basis of HUD's findings that such variations are necessary because of unusually high or low family incomes.
17. Other person under the tenant's control means that the person, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control.
18. Person with Disabilities -
 - a. Means a person who:
 - i. Has a disability, as defined in 42 U.S.C. 423;
 - ii. Is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment that:
 - 1) is expected to be of long continued and indefinite duration;
 - 2) substantially impedes his or her ability to live independently, and
 - 3) is of such a nature that the ability to live independently could be improved by more suitable housing conditions; or
 - iii. Has a developmental disability as defined in 42 U.S.C. 6001.
 - b. Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiological agent for acquired immunodeficiency syndrome;
 - c. For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and
 - d. Means "individual with handicaps", as defined in Section 8.3 of Title 42, for purposes of reasonable accommodation and program accessibility for persons with disabilities.
19. Premises mean the building or complex in which the assisted dwelling unit is located, including common areas and grounds.
20. Public Housing means housing assisted under the 1937 Act (42 U.S.C. 1437, et seq.) other than housing assisted under section 8 (42 U.S.C. 1437f.)
21. Specified Welfare Benefit Reduction – means
 - a. A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

- b. Specified welfare benefit reduction does not include a reduction or termination of welfare benefits by the welfare agency:
 - i. at expiration of a lifetime or other time limit on the payment of welfare benefits;
 - ii. because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or
 - iii. because a family member has not complied with other welfare agency requirements.
22. Very Low Income Family – A family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50 percent of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.
23. Violent Criminal Activity means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

ELIGIBILITY

Only eligible families will be admitted to the Program. To be eligible, an applicant must be a family and must be income eligible. To be income eligible, the family must be either:

1. an “extremely low-income” family;
2. a “very low-income” family; or
3. a “low-income” family in any of the following categories:
 - a. continuously assisted under the 1937 Housing Act. For purposes of determining whether a family has been continuously assisted under the 1937 Housing Act, the PHA has established a policy that brief breaks in assistance, such as a break due to a transition from one program to another under the 1937 Act or where a Housing Assistance Payment Contract (HAP Contract) has expired or is terminated for owner breach, will not be considered to interrupt the continuity of the 1937 Act assistance to the family. The PHA will review breaks in assistance on a case-by-case basis.
 - b. Physically displaced by rental rehabilitation activity under 24 CFR part 511;
 - c. Non-purchasing family residing in a project subject to a home ownership program under 24 CFR 248.173;
 - d. Non-purchasing family residing in a HOPE 1 or HOPE 2 project;
 - e. Displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract under 24 CFR 248.165; or
 - f. Residing in a HUD-owned multifamily rental housing project when HUD sells forecloses or demolishes the project.

4. Restriction on Assistance to Non-citizens.

By law, only U.S. citizens and eligible non-citizens may benefit from federal rental assistance. Compliance with these rules ensures that only eligible families receive subsidy. These requirements apply to families making application for assistance and persons already receiving assistance under the Program. This paragraph describes the procedures the PHA will use to determine applicant eligibility based on citizenship/immigration status.

a. Family's Citizenship/Immigration Status.

- i. All family members, regardless of age, will declare their citizenship or eligible immigration status.
- ii. Non-citizens (except those age 62 and older) will sign a Verification Consent Form and submit documentation of their status or sign a declaration that they do not claim to have eligible status. Non-citizens age 62 and older will sign a declaration of eligible immigration status and provide a proof of age document. U.S. citizens will sign a declaration of citizenship.
- iii. A mixed family—a family with one or more ineligible family members and one or more eligible family members—may receive, prorated assistance, continued assistance, or a temporary deferral of termination of assistance. Applicants who hold a non-citizen student visa are ineligible for assistance, as are any non-citizen family members living with the student.

b. Reviewing a Family's Citizenship/Immigration Status.

- i. The PHA will determine the applicant's citizenship or immigration status during the initial eligibility determination.
- ii. As part of the annual or interim recertification process, the PHA will determine the citizenship/immigration status of Program participants from whom the PHA has not previously collected the proper documentation or whose documentation suggested that their status was likely to change.
- iii. If the status of a family member in a mixed family changes from ineligible to eligible, the family may request an interim recertification.
- iv. The required evidence of citizenship/immigration status for any new family member will be submitted at the first interim or regular recertification after the person moves to the unit.

c. Notification to Applicants.

- i. The PHA will give each applicant, at the time of application, notification of the requirement either to submit evidence of citizenship or eligible immigration status or to choose not to claim eligible status. The notification will:
 - 1) State that financial assistance is contingent on submission and verification of citizenship or eligible immigration status;
 - 2) Describe the type of evidence that will be submitted;
 - 3) Give the time period in which evidence will be submitted; and
 - 4) State that assistance may be prorated, denied, or terminated if any or all family members are determined ineligible for assistance.

- ii. The PHA will notify families that they are eligible for assistance, or for partial assistance, as a mixed family.
 - iii. The PHA will notify families in writing if they are found to be ineligible based upon citizenship/immigration status.
- d. PHA Preparation to Collect Documentation of Citizenship/Immigration Status.
 The PHA is required to verify with the Department of Homeland Security (DHS) the validity of documents provided by applicants. The PHA will obtain the following documentation for each family member regardless of age:
- i. From U.S. citizens, a signed declaration of citizenship. The PHA may require verification of the declaration by requiring presentation of a U.S. birth certificate or U.S. passport.
 - ii. From non-citizens 62 years and older, a signed declaration of eligible non-citizen status and proof of age;
 - iii. From non-citizens under the age of 62 claiming eligible status:
 - 1) A signed declaration of eligible immigration status;
 - 2) A signed consent form; and
 - 3) One of the DHS-approved documents listed below:
 - Form I-551, *Alien Registration Receipt Card* (for permanent resident aliens).
 - Form I-94, *Arrival-Departure Record* annotated with one of the following:
 1. “Admitted as a Refugee Pursuant to Section 207”;
 2. “Section 208” or “Asylum”;
 3. “Section 243(h)” or “Deportation stayed by Attorney General”;
 4. “Paroled Pursuant to Section 212(d)(5) of the INA.”
 - Form I-94, *Arrival-Departure Record* (with no annotation) accompanied by one of the following:
 1. A final court decision granting asylum (but only if no appeal is taken);
 2. A letter from an DHS asylum officer granting asylum (if application was filed on or after October 1, 1990) or from a DHS district director granting asylum (application filed was before October 1, 1990);
 3. A court decision granting withholding of deportation; or
 4. A letter from an asylum officer granting withholding of deportation (if application was filed on or after October 1, 1990).
 - Form I-688, *Temporary Resident Card* annotated “Section 245A” or “Section 210.”
 - Form I-668B, *Employment Authorization Card* annotated “Provision of Law 274a.12(11)” or “Provision of Law 274a.12.”
 - A receipt issued by the DHS indicating that an application for issuance of a replacement document in one of the above-listed categories has been made and that the applicant’s entitlement to the document has been verified.

- Form I-151, *Alien Registration Receipt Card*.
 - Other acceptable evidence. If other documents are determined by the DHS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*.
- iv. Non-citizens not claiming eligible immigration status may elect to sign a statement that they acknowledge their ineligibility for assistance.
- e. Timeframes for Submitting Evidence of Citizenship/Immigration Status to the PHA.
 Applicants will submit required documentation of citizenship/immigration status no later than the date the PHA initiates verification of other eligibility factors. If the applicant cannot supply the documentation within the PHA's specified timeframe, the PHA may grant the applicant an extension of not more than 30 days, but only if the applicant certifies that the documentation is temporarily unavailable and additional time is needed to collect and submit the required documentation. The PHA will inform the applicant in writing if an extension request is granted or denied and set forth the new deadline for submitting the documentation. If the request is denied, the PHA will inform the applicant in writing of the reasons for the denial.
- f. Prohibition Against Delay of Assistance.
 The PHA may not delay the family's assistance if the family has submitted its immigration documentation in a timely manner but the DHS verification or appeals process has not been completed. If a HCV is available, the family has come to the top of the waiting list, and at least one member of the family has been determined to be eligible, the PHA will offer the family a HCV. The PHA will provide assistance to the family member determined to be eligible and to those family members that submitted their immigration documents on time. If any family members did not provide the required immigration documentation, then the assistance for the family will be prorated. Once the PHA has determined the citizenship/immigration status of a family assisted prior to completion of the verification or appeal process, the PHA will:
- i. Provide full assistance to a family that has established the eligibility of all of its members;
 - ii. Offer continued prorated assistance to a mixed family, or temporary deferral of termination of assistance; or
 - iii. Offer temporary deferral of termination of assistance to an ineligible family. At the end of the deferral period the family will either pay market rent or vacate the unit.
- g. Verifying Information on Immigration Status.
 The PHA will verify the validity of documents provided by applicants through the Alien Status Verification Index (ASVI) database. If the PHA is unable to obtain the results using the automated primary and secondary verification method, the PHA will attempt to obtain results using the secondary verification paper process.
- h. Appealing Determinations of Ineligibility.
 The PHA will notify the family in writing as soon as possible if the secondary verification process returns a negative result. The family has 30 days from the

date of the notice to request an appeal of the DHS result. The family will request in writing directly to the DHS and will provide the PHA with a copy of the written request for appeal and proof of mailing.

i. Prohibition of Assistance to Non-citizen Students.

Non-citizen students and their non-citizen families may not receive assistance. Non-citizen students are not eligible for continuation of assistance, prorated assistance, or temporary deferral of termination of assistance. A non-citizen student is defined as an individual who is as follows:

- i. A resident of another country to which the individual intends to return;
- ii. A bona fide student pursuing a course of study in the United States; and
- iii. A person admitted to the United States solely for the purpose of pursuing a course of study as indicated on an F-1 or M-1 student visa.

This prohibition applies to the noncitizen student's noncitizen spouse and children. However, spouses and children who are citizens may receive assistance. For example, a family that includes a noncitizen student married to a U.S. citizen is a mixed family.

5. Disclosure of Social Security Numbers. Applicants and participants will disclose and document the social security numbers (SSNs) for all household members, excluding those individuals who were age 62 or older as of January 31, 2010 whose initial determination of eligibility was begun prior to January 31, 2010, and those individuals who do not contend eligible immigration status, and provide proof of the SSNs reported..

a. Required Documentation. Applicants will provide documentation of SSNs.

Adequate documentation means:

- i. an original social security card issued by the Social Security Administration (SSA);
- ii. an original SSA-issued document which contains the name and SSN of the individual; or
- iii. An original document issued by a federal, State, or local government agency which contains the name and SSN of the individual.

b. Rejection of Documentation. The PHA will reject a document that:

- i. is not an original document; or
- ii. is the original document but it has been altered, mutilated, or is not legible; or
- iii. appears to be a forged document (e.g., does not appear to be authentic).

The PHA will explain to the applicant the reason(s) why the document(s) is not acceptable and request the individual obtain acceptable documentation of the SSN and submit it to the PHA within 90 days.

c. Timeframe for Providing Social Security Numbers.

- i. The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. If a child under age 6 has been added to an applicant family within 6 months prior to voucher issuance, an otherwise eligible family may be admitted to the Program and must disclose and document the child's SSN within 90 days of the effective date of the initial HAP Contact.
- ii. In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was

invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement, and remain exempt even if they move to a new assisted unit.

- iii. The PHA must deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.
 - d. If a participant or any member of a tenant's household is or has been assigned a new SSN, the tenant must provide the SSN and documentation to verify the SSN at:
 - i. the time of receipt of the new SSN; or
 - ii. the next interim or regularly scheduled recertification.
 - e. If a participant adds a Household Member
 - i. When a participant requests to add a household member who is age six or older, the documentation of the SSN must be provided at the time of the request or at the time the recertification that includes the new household member is processed. The new household member will not be added until such time as the documentation is provided.
 - ii. Child Under the Age of Six
 - 1) When adding a household member who is a child under the age of six with a SSN, the child's SSN must be disclosed and verification provided at the time of processing the recertification of family composition that includes the new household member.
 - 2) If the child does not have a SSN, the household will have 90 days in which to provide documentation of a SSN for the child. An additional 90-day period will be granted if the failure to provide documentation of a SSN is due to circumstances that are outside the control of the participant. Examples include but are not limited to: delayed processing of the SSN application by the SSA, natural disaster, fire, or death in family. During this time period, the child will be included as part of the household and will receive all of the benefits of the Program in which the tenant is involved, including the dependent deduction. An alternate ID will be assigned to the child until the documentation of the SSN is required to be provided. At the time of the disclosure of the SSN, an interim recertification must be processed changing the child's alternate ID to the child's verified SSN. If the SSN is not provided, the household is subject to termination of assistance.
 - f. Authorization for Release of Information. All adults in each applicant family will sign an Authorization for Release of Information prior to receiving assistance and annually thereafter.
6. **Students Enrolled in Institution of Higher Education.** Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving Program assistance as of November 30, 2005, the student's eligibility must be examined along with the income eligibility of the student's parents. In these cases, both the student and the student's parents must be income eligible for the student to receive Program assistance. If, however, a student in these circumstances is determined independent from his/her parents in accordance with PHA policy, the income of the student's parents will not be considered in determining the student's eligibility.

The law does not apply to students who reside with parents who are applying to receive Program assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

a. Definitions. In determining whether and how the eligibility restrictions apply to a student, the PHA will rely on the following definitions.

i. Dependent Child. In the context of the student eligibility restrictions, *dependent child* means a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* in 24 CFR 5.603, which states that the dependent must be a member of the assisted family, other than the head of household or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student. Foster children and foster adults are not considered dependents.

ii. Independent Student. The PHA will consider a student "independent" from his or her parents and the parents' income will not be considered when determining the student's eligibility if the following four criteria are all met:

- 1) The individual is of legal contract age under state law.
- 2) The individual has established a household separate from his/her parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education's definition of independent student. To be considered an *independent student* according to the Department of Education, a student must meet one or more of the following criteria:
 - Be at least 24 years old by December 31 of the award year for which aid is sought;
 - Be an orphan or a ward of the court through the age of 18;
 - Be a veteran of the U.S. Armed Forces;
 - Have one or more legal dependents other than a spouse (for example, dependent children, or an elderly dependent parent);
 - Be a graduate or professional student; or
 - Be married
- 3) The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the parents' most recent tax forms.

- 4) The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

The PHA will verify that a student meets the above criteria in accordance with the policies set forth in this Plan.

- iii. **Institution of Higher Education.** The PHA will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education*.
 - iv. **Parents.** For purposes of student eligibility restrictions, the definition of *parents* includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians (e.g., grandparents, aunt/uncle, godparents, etc.).
 - v. **Person with Disabilities.** The PHA will use the statutory definition under section 3(b)(3)(E) of the 1937 Act to determine whether a student is a *person with disabilities*.
 - vi. **Veteran.** A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.
- b. **Determining Student Eligibility.** If a student is applying for assistance on his/her own, apart from his/her parents, the PHA will determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, the PHA must ensure that: (1) the student is individually eligible for the Program, (2) either the student is independent from his/her parents or the student's parents are income eligible for the Program, and (3) the "family" with which the student is applying is collectively eligible for the Program. For any student who is subject to the 5.612 restrictions, the PHA will:
- i. Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the Program
 - ii. Determine whether the student is independent from his/her parents in accordance with the definition of *independent student* in this section
 - iii. Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the Program

If the PHA determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, the PHA will send a notice of denial in accordance with the policies set forth in the Informal Review Section of this Plan, and the applicant family will have the right to request an informal review in accordance with such policies.

- c. **Determining Parental Income Eligibility.** For any student who is subject to the 5.612 restrictions and who does not satisfy the definition of *independent student* in this section, the PHA will determine the income eligibility of the student's parents as follows:

- i. If the student's parents are married and living together, the PHA will obtain a joint income declaration and certification of joint income from the parents.
- ii. If the student's parent is widowed or single, the PHA will obtain an income declaration and certification of income from that parent.
- iii. If the student's parents are divorced or separated, the PHA will obtain an income declaration and certification of income from each parent.
- iv. If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the PHA will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The PHA will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

In determining the income eligibility of the student's parents, the PHA will use the income limits for the jurisdiction in which the parents live.

WAITING LIST PROCEDURES

All applicants will be processed in accordance with the waiting list procedures outlined in this Plan. After consideration of the preferences stated here, time and date of application will be the factor determining order of admission, local preference families first and then those without a local preference.

One waiting list will be maintained for all eligible families wishing to participate in the HCV Program. To be eligible for the waiting list, the applicant must be a "family" and must be income eligible. The waiting list will be maintained without regard to bedroom or family size. All applicants will be processed based upon date and time of registration after consideration of preferences and income targeting rules.

1. A qualified family will be processed through the waiting list using the following procedures:
 - a. In order to be placed on the waiting list, an interested family must complete a registration card and any pertinent preference certifications. Registration cards will be accepted from all families seeking admission to the PHA's HCV Program. Upon receipt, each registration card will be date and time stamped. The registration card is the basic record of each family applying for assistance. Incomplete registration cards will not be accepted by the PHA, but will be returned to the applicant, with a request for the required information. In the event the PHA returns the incomplete registration card, the receipt date and time for placement on the waiting list will be the date and time the PHA receives the completed application. Registration cards are available at the PHA main office, 501 E. Iowa Avenue, Fountain, Colorado 80817*.

***Note: A family will not be denied the opportunity to apply for the waiting list because of their inability to register at the PHA main office due to the applicant's disability.**

- b. All registrations will be reviewed to determine if the family appears to meet eligibility and preference requirements of this Plan and applicable federal regulations.
 - c. Selection of applicants from the waiting list will be based on preference status, time and date of registration and any income targeting requirements.
 - d. An applicant determined ineligible will be notified in writing and advised of the reasons for the determination. They will also be advised of their right to request an informal review of the decision within 10 calendar days of the notification.
2. The waiting list will be purged from time to time to eliminate any inactive registrations, to reduce unnecessary administrative burden, and to ensure that the list remains representative of the needs of the community.
 3. An applicant's name will be removed from the waiting list when the PHA has made at least two attempts to contact the applicant, either by telephone or mail, and the applicant does not respond or cannot be found.
 4. Closing of the waiting list will be announced by public notice in a newspaper of general circulation with similar notification to interested social service organizations. The list will remain closed to all registrants including those with a preference until officially re-opened.
 5. Re-opening the waiting list will also be announced by public notice in a newspaper of general circulation with similar notification to interested social service organizations.
 6. Changes in family income, composition, address and telephone number must be reported to the PHA by the family in writing.
 7. Changes in a family's preference status must be reported to the PHA by the family in writing along with documentation of the change in preference status such as a lease that shows the family's residence or documentation of employment in the jurisdiction. **The family's position on the waiting list will be effective as of the date of the original registration.**
 8. If the PHA has insufficient funds to subsidize the unit size for the family at the top of the waiting list, the PHA will not skip the top of the waiting list to assist an applicant with a smaller unit size. The top family will be assisted when sufficient funds are available.
 9. Waiting list procedures will conform to all applicable federal regulations.

INCOME TARGETING REQUIREMENTS

In each fiscal year of the PHA, at least 75% of the families newly admitted to the HCV Program must be extremely low-income families.

PREFERENCE FOR SELECTION

The PHA will select families for participation in the HCV Program in accordance with the following general preferences. All Applicants who qualify for a preference will be offered a unit before any family that does not qualify for a preference.

Local Preference

1. Residency- the applicant lives within the PHA's jurisdiction or areas of operation at the time of application (Fountain, Widefield, Security, Stratmoor Valley and other parts of Southern El Paso County excluding Colorado Springs and Manitou Springs). Applicants who are working or have been notified that they are hired to work in the PHA's jurisdiction or areas of operation at the time of application must be treated as residents.
2. Employability – applicants who are working or whose head of household, spouse, or sole member is age 62 or older or is receiving social security disability, supplemental security income disability benefits, or any other payments based on the individuals inability to work.

A family may certify that they are eligible for a preference at the time they complete a registration card for the waiting list or any time thereafter.

At the time the family is notified that assistance may be available, the PHA will verify eligibility for a preference. Eligibility for a preference will be determined by the family's current circumstances, not their circumstances at the initial time of application. If the PHA is unable to verify eligibility for a preference at that time, the family will be placed back on the waiting list, according to the date and time of the original registration, without the benefit of a preference.

No Preference for those Evicted for Drugs

If an applicant has been evicted from housing assisted under the U.S. Housing Act (Public, Indian, Section 8, or Section 23 housing) because of drug-related criminal activity (drug use or drug distribution) by any member of the applicant family, the applicant may not be given any tenant selection preference for 3 years from the date of that eviction.

The PHA may waive this restriction for a particular applicant if the PHA determines that the evicted person:

1. Has successfully completed a rehabilitation program approved by the PHA; or
2. clearly did not participate in or know about the drug-related criminal activity; or
3. no longer participates in any drug-related criminal activity.

The acceptable forms of verification are as required by federal regulation.

DENIAL OF ASSISTANCE

Overview

A family that does not meet the eligibility criteria set forth in the Eligibility Section of this Plan must be denied assistance.

In addition, HUD requires or permits the PHA to deny assistance based on certain types of current or past behaviors of family members.

Forms of Denial

Denial of assistance includes any of the following:

1. Not placing the family's name on the waiting list;
2. Denying or withdrawing a voucher;
3. Not approving a request for tenancy or refusing to enter into a HAP contract; or
4. Refusing to process a request for or to provide assistance under portability procedures.

Prohibited Reasons for Denial of Program Assistance

HUD rules prohibit denial of Program assistance based on any of the following criteria:

1. Age, disability, race, color, religion, sex, sexual orientation, or national origin;
2. Where a family lives prior to admission to the Program except that, the PHA may adopt a residency preference such as the one set forth in the Preference for Selection Section of this Plan;
3. Where the family will live with assistance under the Program. While eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside the PHA's jurisdiction under portability;
4. Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock;
5. Whether the family includes children;
6. Whether a family decides to participate in a family self-sufficiency program; or
7. Whether or not a qualified applicant is or has been a victim of domestic violence, dating violence, sexual assault or stalking if the applicant is otherwise qualified for assistance.

Mandatory Denial of Assistance

HUD requires the PHA to deny assistance in the following cases:

1. Any household member of the applicant family has been evicted from federally assisted housing in the last 3 years for drug-related criminal activity. The PHA may admit the household if it determines that:

- a. The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the PHA; or
- b. The circumstances leading to the eviction no longer exist (e.g., the person involved in the criminal activity no longer lives in the household).
2. The PHA determines that any household member is currently engaged in the use of illegal drugs. “Currently engaged in” is defined as any use of illegal drugs during the previous 6 months.
3. The PHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

In determining reasonable cause, the PHA will consider all credible evidence, including, but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. 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 PHA will also consider evidence from treatment providers or community-based organizations providing services to household members.

4. Any household member has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine on the premises of federally assisted housing.
5. Any household member is subject to a lifetime registration requirement under a state sex offender registration program

Other Permitted Reasons for Denial of Assistance

HUD permits, but does not require, the PHA to deny assistance for the reasons set forth in this section.

1. Criminal Activity

HUD permits, but does not require, the PHA to deny assistance if the PHA determines that any household member is currently engaged in, or has engaged in, during a reasonable time before the family would receive assistance, certain types of criminal activity.

It is the policy of the PHA to deny assistance if any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past 3 years:

- a. Drug-related criminal activity;
- b. Violent criminal activity;
- c. Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity. Immediate vicinity means within a 3-block radius of the premises; or

- d. Criminal activity that may threaten the health or safety of property owners and management staff, and persons performing contract administration functions or other responsibilities on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor, or agent).

Evidence of criminal activity includes, but is not limited to:

- a. Any charges/arrests/convictions for drug-related or violent criminal activity within the past 3 years, although a record of arrest(s) may not be the only basis for denial or proof that the applicant engaged in disqualifying criminal activity;
- b. Any record of eviction from public or privately-owned housing as a result of criminal activity within the past 3 years.
- c. Any household member has been charged/arrested/convicted for possession/using/distributing/manufacturing methamphetamine, assistance will be denied for a period of 3 years from the date of the charge/arrest/conviction, whichever is most recent.
- d. Is a sex offender that is not subject to a lifetime registration. Assistance will be denied for a period of 10 years from the date of the charge/arrest/conviction or the period of required registration as a sex offender, whichever is greater.
- e. In making its decision to deny assistance, the PHA will consider the factors set forth in this Plan in the Section on Criteria for Deciding to Deny Assistance. Upon consideration of those factors, the PHA may, on a case-by-case basis, decide not to deny assistance.

2. Previous Behavior in Assisted Housing

HUD authorizes the PHA to deny assistance based on the family's previous behavior in assisted housing. The PHA will deny assistance to an applicant family if:

- a. The family does not provide information that the PHA or HUD determines is necessary in the administration of the Program.
- b. The family does not provide complete and true information to the PHA.
- c. Any family member has been evicted from federally-assisted housing in the last 3 years.
- d. Any PHA has ever terminated assistance under the Program for any member of the family. However, the PHA will not deny assistance to an otherwise eligible family because the family was previously terminated under the Program for failure to meet its obligations under the Family Self-Sufficiency (FSS) program.
- e. Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
- f. The family owes rent or other amounts to any PHA in connection with Section 8 or other public housing assistance under the 1937 Act, unless the family repays the full amount of the debt or enters into a repayment agreement with the reporting PHA and provides a copy of the repayment agreement to the PHA or provides a written statement from the reporting PHA verifying a repayment agreement is in place.
- g. If 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, unless the family repays the full amount of the debt prior to voucher issuance or enters into a repayment agreement with the reporting PHA

- and provides a copy of the repayment agreement to the PHA or provides a written statement from the reporting PHA verifying a repayment agreement is in place.
- h. The family has breached the terms of a repayment agreement entered into with a PHA, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.
 - i. A family member has engaged in or threatened violent or abusive behavior toward the PHA personnel.

Abusive or violent behavior towards the PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

Additional PHA Criteria

The PHA will apply the following criteria, in addition to the HUD eligibility criteria, as grounds for denial of admission to the Program:

- a. The family must not have violated any family obligation during previous participation in assisted housing program for 3 years prior to final eligibility determination. This includes previous participation in the assisted housing programs administered by another PHA.
- b. If the family has an outstanding debt to another PHA and the PHA agrees to allow the family to enter into a repayment agreement, the PHA will allow the family to be admitted to the Program as long as payments are current. However, if the family defaults on a repayment agreement, the family may be terminated.
- c. If an applicant owes an outstanding debt to the PHA or another PHA, which is the result of misrepresentation from previous participation, and the applicant files bankruptcy on the debt, the PHA will deny assistance for 10 years following discharge of the debt.
- d. The family must be in good standing regarding any current payment agreement made with another PHA for a previous debt incurred, before the PHA will allow participation in its tenant based program.
- e. If any applicant deliberately misrepresents the information on which eligibility or tenant rent is established, the PHA will deny assistance and may refer the family file/record to the proper authorities for appropriate disposition.
- f. In making its decision to deny assistance, the PHA will consider the factors discussed in the Section on the Criteria for Deciding to Deny Assistance. Upon consideration of such factors, the PHA may, on a case-by-case basis, decide not to deny assistance.

Screening for Eligibility

The PHA is authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the Program. This authority assists the PHA in complying with HUD requirements and the PHA's policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to

obtain access to the records the PHA will require every applicant family to submit a consent form signed by each adult household member. The PHA will perform a criminal background check for every adult household member.

The PHA is required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided.

At admission, annual recertification or other reexamination, the PHA will use the Dru Sjodin National Sex Offender Database, a searchable database hosted by the Department of Justice. It combines data from individual state sex offender registries and other national, state, and local resources to prevent lifetime registered sex offenders from receiving federal housing assistance.

If the PHA proposes to deny assistance based on a criminal record or on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission.

Screening for Suitability as a Tenant

The PHA has no liability or responsibility to the owner for the family's behavior or suitability for tenancy. The PHA will not conduct additional screening to determine an applicant family's suitability for tenancy.

The owner is responsible for screening and selection of the family to occupy the owner's unit. The PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner. An owner may consider a family's history with respect to factors such as: payment of rent and utilities, caring for a unit and premises, respecting the rights of other residents to the peaceful enjoyment of their housing, criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

HUD requires the PHA to provide prospective owners with the family's current and prior address (as shown in the PHA records) and the name and address (if known) of the owner at the family's current and prior addresses. HUD permits the PHA to provide owners with additional information, as long as families are notified that the information will be provided, and the same type of information is provided to all owners.

General Policy Statement on Screening of Applicants

The PHA's selection of a family to participate in the Program is not in any way an endorsement of tenancy nor a prediction of family behavior. Owners are encouraged to screen families on the basis of their tenancy histories and to inquire about factors such as:

1. Payment of rent and utility bills;
2. Caring for a unit and premises;
3. Respecting the rights of others to the peaceful enjoyment of their housing;
4. Drug-related criminal activity or other criminal activity that is a threat to the life, safety, or property of others; and
5. Compliance with other essential conditions of tenancy.

Information Provided to Owners About Families

The PHA will provide owners with:

1. The family's current and prior address (as shown on the PHA's records); and
2. The name and address (if known) of the landlord at the family's current and prior addresses.

The PHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

The PHA may not disclose to the owner any confidential information provided in response to a PHA 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.

Criteria for Deciding to Deny Assistance

1. Evidence

The PHA will use the concept of the preponderance of the evidence as the standard for making all admission decisions.

Preponderance of the 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.

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

2. Consideration of Circumstances

HUD authorizes the PHA to consider all relevant circumstances when deciding whether to deny assistance based on a family's past history except in the situations for which denial of assistance is mandated.

The PHA will consider the following factors prior to making its decision:

- a. The seriousness of the case, especially with respect to how it would affect other residents' safety or property;
- b. The effects that denial of assistance may have on other members of the family who were not involved in the action or failure to act;
- c. The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or a victim of domestic violence, dating violence, sexual assault or stalking;
- d. The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future;

- e. While a record of arrest(s) may not be the only basis for denial, an arrest may trigger an investigation to determine whether the applicant actually engaged in disqualifying criminal activity. As part of its investigation, the PHA may use police report(s) associated with the arrest and consider the reported circumstances of the arrest. The PHA may also consider:
 - i. Any statements made by witnesses or the applicant not included in the police report;
 - ii. Whether criminal charges were filed;
 - iii. Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal; or
 - iv. Any other evidence relevant to determining whether the applicant engaged in disqualifying activity.
- f. Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property; and
- g. In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully. The PHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

3. Removal of a Family Member's Name from the Application

HUD permits the PHA to impose, as a condition of admission, a requirement that family members who participated in or were culpable for an action or failure to act which results in the denial of assistance, to not reside in the unit.

As a condition of receiving assistance, a family may agree to remove the culpable family member from the application. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the assisted unit.

After admission to the Program, the family must present evidence of the former family member's current address upon the PHA's request.

4. Reasonable Accommodation

If the family includes a person with disabilities, the PHA's decision concerning denial of admission is subject to consideration of a reasonable accommodation in accordance with 24 CFR Part 8.

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, the PHA will determine whether the behavior is related to the disability. If so, upon the family's request, the PHA will determine whether alternative measures are appropriate as a reasonable accommodation. The PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance.

Notice of Eligibility or Denial

If the family is eligible for assistance, the PHA will notify the family when it extends the invitation to attend the voucher briefing appointment.

If the PHA determines that a family is not eligible for the Program for any reason, the family must be notified promptly. The notice must describe:

1. the reasons for which assistance has been denied;
2. the family's right to an Informal Review; and
3. the process for obtaining the informal review. See the Section of this Plan on Informal Review for policies and procedures.

The family will be notified of a decision to deny assistance in writing within 10 business days of the determination.

If the PHA uses a criminal record or sex offender registration as the basis of a denial, the PHA will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record. The family will be given 10 business days to dispute the accuracy and relevance of the information. If the family does not contact the PHA to dispute the information within that 10 business day period, the PHA will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal review process.

Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, and sexual assault or stalking are set forth below.

Prohibition Against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual Assault and Stalking

The Violence Against Women Act of 2013 (VAWA) and HUD regulation prohibit a PHA from denying an applicant admission to the Program "on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, if the applicant otherwise qualifies for assistance or admission.

1. Notification

HUD's Final Rule effective December 16, 2016, implemented the VAWA 2013 expanded notification requirements for a PHA to provide applicants who are denied assistance or admission with a Notice of Occupancy Rights (form HUD-5380) and the Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking (form HUD-5382).

The PHA acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under the PHA's policies. Therefore, if the PHA makes a determination to deny assistance or admission to an applicant family, the PHA will include in its notice of denial VAWA information and provide copies of the Notice of Occupancy Rights (form HUD-5380) and the Certification of Domestic Violence, Dating Violence, Sexual

Assault, or Stalking (form HUD-5382). The PHA will request that an applicant wishing to claim protection under VAWA notify the PHA within 14 business days.

2. Documentation

a. Victim Documentation

If an applicant claims the protection against denial of assistance that VAWA provides to victims of domestic violence, dating violence, sexual assault or stalking, the PHA will request in writing that the applicant provide documentation supporting the claim within 14 business days after the VAWA claim is made. The PHA may extend this time period at its discretion.

The individual may satisfy the PHA's request by providing any one of the following 3 forms of documentation:

- i. A completed and signed HUD-approved certification form (HUD-5382, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim;
- ii. A federal, state, tribal, territorial, or local police report or court record, or an administrative record; or
- iii. Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person's belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The PHA may not require third-party documentation in addition to the certification form HUD-5382, except as specified below under "Conflicting Documentation," nor may it require certification in addition to third-party documentation.

Any request for documentation of domestic violence, dating violence, sexual assault or stalking will specify a deadline of 14 business days following receipt of the request and failure to submit the documentation means that the PHA does not need to grant any VAWA protections.

If an applicant requests an extension in writing by the deadline, the PHA may, in its discretion, extend the deadline. Any extension granted by the PHA will be in writing. If the applicant fails to submit the documentation by any extension date granted, the PHA does not need to grant any VAWA protections.

b. Conflicting Documentation

In cases where the PHA receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the PHA may determine which is the true victim by requiring each to provide acceptable third-party

documentation, as described above. The PHA must honor any court orders issued to protect the victim or to address the distribution of property.

c. Discretion to Require No Formal Documentation

The PHA has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse. If the PHA accepts an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault or stalking, the PHA will document acceptance of the statement or evidence in the individual's file.

d. Failure to Provide Documentation

In order to deny relief for protection under VAWA, the PHA must provide the individual requesting relief with a written request for documentation of abuse. If the individual fails to provide the documentation within 14 business days from the date of receipt, or such longer time as the PHA may allow, the PHA may deny relief for protection under VAWA.

e. Confidentiality

All information provided to the PHA regarding domestic violence, dating violence, sexual assault or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence. This means that the PHA will not:

- i. enter the information into any shared database;
- ii. allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work; and
- iii. provide the information to any other entity or individual, except to the extent that the disclosure is:
 - (a) requested or consented to by the individual in writing;
 - (b) required for use in an eviction proceeding, or
 - (c) otherwise required by applicable law.

f. Perpetrator Documentation

If the perpetrator of the abuse is a member of the applicant family, the applicant must provide additional documentation consisting of one of the following:

- i. A signed statement (a) requesting that the perpetrator be removed from the application and (b) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit; or
- ii. Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or

is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

SUBSIDY STANDARDS

The subsidy standards included in this Plan are for purposes of issuing HCVs. A family may rent a unit which is smaller or larger than stated on the HCV, provided that the unit complies with the minimum housing quality standards and the rent limits for the HCV Program.

The following subsidy standards will be used to determine the appropriate number of bedrooms needed for a family at the time they begin their housing search and will be entered on the HCV issued to the family. These standards are developed in accordance with federal regulations that state that there must be at least one bedroom or living/sleeping room of appropriate size for each two persons in the family. Every family member, regardless of age, will be counted as a person. Families will be issued a HCV based on the smallest size appropriate to their needs based upon the following limitations:

<u>HCV</u>	<u>Maximum Persons</u>
0-Bedroom	1
1-Bedroom	2
2-Bedroom	4
3-Bedroom	6
4-Bedroom	8
5-Bedroom	10
6-Bedroom	12

Opposite Sex Family Members. In considering the appropriate number of bedrooms needed for a family, the PHA will not consider two persons of the opposite sex, other than those living as husband and wife or children six years of age or younger, as sharing the same living/sleeping room.

Same Sex Siblings. In considering the appropriate number of bedrooms needed for a family, the PHA may consider the age difference between siblings of the same sex and determine that where the same sex siblings are four years apart in age or more, and at least one of the siblings has attained the age of thirteen (13) years, the siblings may not be required to share the same living/sleeping room.

Children Under the Age of Two. Children under the age of two, of either sex, may share a living/sleeping room with a parent(s) for the purpose of determining the subsidy standard.

Unborn Children. An unborn child will not be counted as a person for purposes of determining the subsidy standard.

Live-in Aids. A live-in aid, which has been approved by the PHA to reside in the unit, will be counted in determining the family unit size. In order for a live-in aid to be approved by the PHA to reside in a unit, the following conditions must be met:

1. at least one member of the family must be elderly, disabled or at least 50 years of age;
2. the family must provide the PHA with documentation from a qualified health care professional that the live-in aide is essential to the care and well-being of such family member;
3. the live-in aide is not obligated for the support of such family member;
4. no familial relationship exists between the live-in aid and any member of the family*;
5. the live-in aide would not be living in the unit except to provide necessary supportive services
6. the live-in aid must be 18 years of age or older; and
7. the live-in aid must agree to the conduct of a criminal background check.

***Note: if a familial relationship exists, the proposed live-in aid will be treated as member of the family and not as a live-in aid for purposes of determining the family unit size.**

Disapproval of a live-in aid. The PHA may disapprove a person identified as a live-in aid if such person has:

1. committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
2. committed drug-related criminal activity or violent criminal activity; or
3. currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Split Households Prior to Voucher Issuance. When a family on the wait list splits into two otherwise eligible families due to divorce or legal separation and both families claim the same placement on the wait list, if there is no court determination, the PHA will decide which family will receive the voucher after considering the following factors:

1. which family member applied as head of household;
2. which family unit retains the children or any disabled or elderly members; and
3. recommendations from social service agencies or qualified professionals, such as Child Protective Services.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families fail to provide the documentation, they may be denied placement on the wait list for failure to supply information requested by the PHA.

Multiple Families in the Same Household. When families consisting of two families living together, (such as a mother and father, and a daughter and her husband or children) apply as a family unit, then 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 that household. "51% of the time" is defined as 183 days of the year. These 183 days do not have to run consecutively. The PHA will require a self-certification of families who claim joint custody or temporary guardianship of children.

When each parent has a separate application on the wait list and both share equal custody of the child or children, the parent whose address is listed on the child or children's school records will be allowed to claim the school-age child as a dependent.

Applicants with Non-Biological Minor Children. An applicant household who wishes to include non-biological children must provide documentation proving they are authorized to act as a guardian to such children. Non-biological minor children means children that are not naturally born to a member of the applicant household.

Documentation may include:

1. A court ordered guardianship order;
2. A notice from the appropriate County Welfare department verifying the child is in the home of the applicant;
3. A letter of placement from a foster care or adoption agency; or
4. A notarized letter from the parent of the child stating the applicant has been granted custody of the child; and a letter from each school-aged child's school verifying the address at which the child is registered and the person who is listed as the guardian.

If the PHA receives contradictory information or documentation related to the custody of the child(ren), The PHA may refuse to add the child(ren) until it receives conclusive evidence of guardianship. Documentation may include letters of guardianship from the courts or a letter from an agency known to provide verification, such as the Department of Human Services.

Exceptions to the Subsidy Standards. In determining family unit size for a particular family, the PHA may grant an exception to the subsidy standards set forth in this Plan, if the PHA determines that the exception is justified by the age, sex, health, handicap or relationship of family members or other personal circumstances. In cases where the unit size leased exceeds the family unit size as determined under the PHA subsidy standard as a result of a reasonable accommodation, the PHA will use the appropriate utility allowance for the size of the dwelling unit actually leased by the family.

Payment Standard. The payment standard for the HCV Program will be set between 90 percent and 110 percent of the Small Area Fair Market Rent published by HUD for the HCV Program in each year.

At least annually, the PHA will review its payment standard to determine whether the payment standard is adequate to ensure that assisted families are able to locate suitable units within the PHA's jurisdiction. The PHA will consider the following factors in determining the payment standard:

1. The rent burden for assisted families;
2. The availability of suitable vacant units within the jurisdiction with rents below the payment standard;
3. The size and quality of units selected by families assisted under the Program;
4. The time required for voucher holders to locate suitable housing;
5. The number of vouchers issued and not used for the preceding annual period; and
6. The number of families moving out of the jurisdiction under portability procedures.

Use of Payment Standard. The payment standard is used to calculate the monthly housing assistance payment for a family. The payment standard is the maximum monthly assistance payment.

Amount of Monthly Housing Assistance Payment. The PHA will pay a monthly housing assistance payment on behalf of the family that is equal to the lower of:

1. The payment standard for the family minus the family share; or
2. The gross rent minus the family share.

Payment Standard for the Family. The payment standard for the family is the lower of:

1. The payment standard amount for the authorized voucher size, or
2. The payment standard amount for the actual bedroom size of the dwelling unit rented by the family.

Approval of higher payment standard for the family as a reasonable accommodation. If the family includes a person with disabilities and requires a higher payment standard for the family, as a reasonable accommodation for such person, in accordance with 24 CFR Part 8, the PHA may establish a higher payment standard for the family of not more than 120% of the published Fair Market Rent for the HCV Program for such year. Any unit approved under this payment standard must still meet the reasonable rent requirements set forth in this Plan.

Increase in Payment Standard During the HAP Contract Term. If there is an increase in the payment standard the higher payment standard will be first used in calculating the HAP beginning at the effective date of the family's first regular annual reexamination on or after the effective date of the increase in the payment standard amount. Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination.

Decrease in Payment Standard During the HAP Contract Term. If there is a decrease in the payment standard during the term of a family's HAP contract, the PHA will continue to use the existing higher payment standard for the family's subsidy calculation for as long as the family continues to receive Voucher assistance in that unit.

Utility allowance schedule. The PHA will maintain a utility allowance schedule for all tenant-paid utilities (except telephone), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services (e.g., trash collection (disposal of waste and refuse)).

How allowances are determined. The utility allowance schedule will be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the PHA will use normal patterns of consumption for the community, as a whole, and the current utility rates. The PHA will review its schedule of utility allowances each year, and must revise its allowance for a utility category if there has

been a change of 10 percent or more in the utility rate since the last time the utility allowance schedule was revised. The PHA will maintain information supporting its annual review of utility allowances and any revisions made in its utility allowance schedule.

Use of utility allowance schedule. The PHA will use the appropriate utility allowance for the lesser of the size of dwelling unit actually leased by the family or the family unit size as determined under the PHA subsidy standards. In cases where the unit size leased exceeds the family unit size as determined under the PHA subsidy standards as a result of a reasonable accommodation, the PHA must use the appropriate utility allowance for the size of the dwelling unit actually leased by the family.

Higher utility allowance as reasonable accommodation for a person with disabilities. On request from a family that includes a person with disabilities, the PHA will approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation in accordance with 24 CFR part 8 to make the Program accessible to and usable by the family member with a disability.

ISSUANCE OF A VOUCHER

Issuance

Families will be issued a Voucher in a non-discriminatory fashion as their names come up on the waiting list. The normal rotation of the waiting list is the time and date of application, after consideration of the preferences and income targeting guidelines identified in this Plan.

Families will be notified by mail that their name has reached the top of the waiting list and that, if they wish to participate in the HCV Program, they must bring to the PHA documentation that shows family composition, income, deductions, if any, and any other information required by the PHA to sufficiently determine eligibility for the HCV Program.

Upon receipt of all required documentation and verifications by the PHA, families will be notified by mail that a briefing will be conducted and that if they wish to participate in the Program they must attend. The families will be advised that if they do not attend the scheduled briefing and fail to contact the PHA regarding the missed appointment, their name will be removed from the waiting list.

Briefings will be conducted in a group setting whenever possible depending on the number of vacant Vouchers available. The purpose of the briefing is to acquaint the families with the operation of the Program and provide them with the tools necessary to successfully become participants in the Program. The families will be given a packet containing all the required information and documents. A full explanation will be given of each item. It will be made clear to all applicants that the Voucher will expire at the end of 60 days and that applicants must successfully complete their housing search within that time.

Extensions

Vouchers will only be extended under the following circumstances:

1. if the family can verify extenuating circumstances or is a hard-to-house family, and through their contact with the office staff, can clearly demonstrate that they have made every effort to secure suitable housing; and
2. the family has not refused a suitable unit without good cause; and
3. there is a reasonable possibility that an extension of the Voucher will result in an approvable lease and the execution of a HAP Contract.

Suspensions

Suspension means stopping the clock on the term of a family's voucher after the family submits a request for approval of the tenancy. The PHA may suspend the term of a Voucher only under the following circumstances:

1. if the family can verify extenuating circumstances or is a hard-to-house family, and through their contract with the office staff, can clearly demonstrate that they have made every effort to secure suitable housing;
2. the family has not refused a suitable unit without good cause;
3. the family has submitted a request for lease approval during the term of the Voucher; and
4. there is a reasonable possibility that a suspension of the term of the Voucher will result in an approvable lease and the execution of a HAP Contract.

The term of a Voucher may be suspended for the period running from the submission of the family's request for lease approval up to the time when the PHA approves or denies the request for lease approval, but in no event will the term of the Voucher be suspended for longer than 60 days.

Illegal Discrimination

If a family claims that illegal discrimination because of race, color, religion, sex, national origin, age, familial status or disability prevents the family from finding or leasing a suitable unit with the assistance under the Program, the PHA will give the family information on how to fill out and file a housing discrimination complaint.

MINIMUM RENT AND FINANCIAL HARDSHIP EXEMPTIONS

All participant families in the HCV Program will be required to pay a minimum total tenant payment or minimum rent of \$50.00 per month.

A participant family in the HCV Program who is required to pay the minimum rent of \$50.00 may request a financial hardship exemption under the following circumstances:

1. When the family has lost eligibility for, or is awaiting an eligibility determination for a Federal, State or local assistance program;
2. When the family would be evicted as a result of the imposition of the minimum rent requirement;

3. When the income of the family has decreased because of changed circumstances, including loss of employment;
4. When the expenses of the family have increased because of changed circumstances, including medical costs, child care, transportation, education or similar items;
5. When death has occurred in the family; and
6. Other circumstances as determined by the PHA or HUD.

If a family requests a hardship exemption, the PHA will suspend the minimum rent requirement beginning the month following the family's request. 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.

The PHA will promptly determine whether a hardship exists and whether it is long term or temporary.

If the PHA determines that there is no financial hardship, the minimum rent will be imposed retroactively to the time of the suspension.

If the PHA determines that there is a qualifying hardship, but that it is temporary, the minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90 day suspension period, the minimum rent will be imposed retroactively to the time of the suspension and the family will be offered a payback agreement for the suspended minimum rent amount.

If the PHA determines that there is a qualifying long term financial hardship, the PHA will exempt the family from the minimum rent requirement until the hardship no longer exists.

The family must demonstrate to the PHA that the financial hardship is long term.

A family may appeal a financial hardship determination by the PHA through the informal hearing procedure.

PROGRAM ADMINISTRATION

Security Deposits

The owner may collect a security deposit from the participating family so long as such deposit does not exceed private market practice.

When the participating family moves out of the unit, the owner, subject to state or local law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the participating family, damages to the unit or for other amounts the participating family owes under the lease.

The owner must give the participating family a written list of all items charged against the security deposit, and the amount of each item. After deducting the amount, if any,

used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the family.

Moves With Continued Assistance

A family may move one or more times with continued assistance under the Program, either inside the jurisdiction of the PHA or under portability procedures. However, a family may not move during the initial year of assisted occupancy nor move more than one time during any one year period of assisted tenancy unless the family can verify that extenuating circumstances exist such as; medical necessity, family security or other family emergency. The family must supply any information or certification requested by the PHA to verify that extenuating circumstances exist requiring the family to move.

Portability

The purpose of portability is to provide greater flexibility and a wider range of available units under the HCV Program. The jurisdiction of the PHA is those areas within the city limits of the City of Fountain and the unincorporated areas of El Paso County denoted as Widefield and Security.

A family with a voucher issued by the PHA may receive tenant-based assistance to lease an acceptable unit located outside of the PHA jurisdiction, in the jurisdiction of a Public Housing Authority anywhere in the United States that is administering a tenant-based program. The PHA will deny a family's request to move under portability as follows:

1. The family is an applicant and is not income eligible in the area in which they wish to initially lease a unit; or
2. The family is a participating family that has moved out of their assisted unit in violation of a lease.

The PHA may deny a family's request to move under portability as follows:

1. The family's action or failure to act as described in the policies of the PHA as set forth in this Plan in the Sections on the Denial of Assistance or the Termination of Assistance.
2. If the family's head or spouse did not have a legal residence within the PHA's jurisdiction at the time the family submitted an application. In this instance, the family must lease up in the PHA's jurisdiction for a minimum of twelve months;
3. The requested move does not comply with the PHA's policy on frequency of moves; or
4. The PHA does not have sufficient funding for continued assistance to support the move. The PHA will only deny moves for insufficient funds in accordance with 24 CFR 982.354(e)(1).

Families whose request to move has been denied by the PHA due to insufficient funding will be sent a letter at the time the request is denied stating that the request has been denied due to insufficient funds but that the request will remain open for consideration by the PHA for 60 days from the date of the letter denying the request. In addition, the family will be informed that the PHA will process the request to move if funds become

available during the 60 day period and that at the expiration of the 60 day period, the request to move will be canceled by the PHA.

Once funds become available, the PHA will process open requests for portability based on the date of the letter denying the request due to insufficient funds with the oldest open request processed first. A family with an open request will be sent a letter notifying them that the PHA has sufficient funds available to process their request for a portability move and scheduling an appointment to process the move if the family still desires to move.

Family Absence from an Assisted Unit

A family may be absent from an assisted unit for brief periods of time. However, housing assistance payments will terminate if the family is absent from the assisted unit for a period of more than 90 consecutive calendar days unless the family can verify that extenuating circumstances exist such as; hospitalization, rehabilitation or other family emergency, that requires the absence of the family from the assisted unit. Under no circumstances may the family be absent from the assisted unit for a period of more than 180 consecutive calendar days.

Family absence from the assisted unit means that no member of the family is residing in the unit.

The family must supply any information or certification requested by the PHA to verify that the family is residing in the unit or relating to the family's absence from the unit. The family must promptly notify the PHA of absences from the assisted unit.

The PHA may verify a family's occupancy or absence through letters to the family unit, phone calls, visits or questions to the landlord or neighbors.

Family Break-Up

If an assisted family breaks up, the general policy of the PHA is that the assistance will remain with the family members remaining in the original assisted unit. The PHA, however, will have the discretion to determine which members of an assisted family will continue to receive assistance in the Program if the family breaks up. The factors that will be considered by the PHA in making its determination include:

1. the interests of minor children or of ill, elderly or disabled family members;
2. whether family members are forced to leave the unit as result of actual or threatened domestic violence, dating violence, sexual assault, or stalking; and
3. whether any of the family members are receiving protection as victims of domestic violence, dating violence, sexual assault, or stalking, as provided in 24 CFR part 5, subpart L, and whether the abuser is still in the household.

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

Disapproval of an Assisted Tenancy

1. The PHA must not approve an assisted tenancy if the PHA has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation under 2 CFR part 2424.
2. When directed by HUD, the PHA must not approve an assisted tenancy if:
 - a. 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; or
 - b. A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.
3. In its administrative discretion, the PHA may deny approval of an assisted tenancy for any of the following reasons:
 - a. The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);
 - b. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
 - c. The owner has engaged in any drug-related criminal activity or any violent criminal activity;
 - d. 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;
 - e. 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 engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - i. Threatens the right to peaceful enjoyment of the premises by other residents;
 - ii. 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;
 - iii. 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
 - iv. Is drug-related criminal activity or violent criminal activity; or
 - f. The owner has a history or practice of renting units that fail to meet State or local housing codes; or
 - g. The owner has not paid State or local real estate taxes, fines or assessments.

4. The PHA must not approve a unit if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family; unless the PHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities. This restriction against PHA approval of a unit only applies at the time a family initially receives tenant-based assistance for occupancy of a particular unit, but does not apply to PHA approval of a new tenancy with continued tenant-based assistance in the same unit.
5. Nothing in this Plan is intended to give any owner any right to participate in the Program.
6. For purposes of this section, “owner” includes a principal or other interested party.

ENTERPRISE INCOME VERIFICATION (EIV)

Utilizing the EIV System

The PHA will utilize HUD’s Enterprise Income Verification (EIV) system. The EIV system is a source of information for the PHA to use in verifying reported income by families participating in the HCV Program. The PHA will use the EIV system to validate social security numbers for applicants and Program participants, and to verify household income and composition before or during annual and interim reexaminations.

The data contained and provided by the EIV system will be protected by PHA officials and only used for official housing purposes in accordance with the PHA’s EIV System Security Policy. Data will not be disclosed in any manner that would violate the privacy of Program applicants or participants.

All household members of at least 18 years of age are required to execute HUD form 9887-A, Notice and Consent for the Release of Information and HUD form 9886, Authorization for the Release of Information. By signing these forms, the household member authorizes HUD and the PHA to obtain and verify income information from various sources. A current, signed form HUD-9887-A must be on file to view and/or use the income reports. A current, signed form HUD-9886 must be on file to obtain written third party verification of income.

Use of EIV Reports

A. Summary Report

The Summary Report provides a summary of household information taken from the current, active certifications contained in the Public and Indian Housing Information Center (PIC) file at the time of the income match. It also provides Identity Verification Status for each household member by identifying individuals whose personal identifiers:

- Match the Social Security Administration (SSA) database - “Verified”;
- Do not match the SSA database – “Failed”;
- Have not been sent by HUD to SSA for validation or have not yet been matched by SSA for validation – “Not Verified”;
- SSA’s records indicate the person is deceased – “Deceased”

1. Report Use

The Summary Report will be used at annual and interim recertifications to:

- a. Validate a tenant's Social Security Number (SSN).
- b. Review and resolve discrepant or invalid personal identifiers of household members with a "failed" or "deceased" status.
- c. Nothing has to be done at the time of recertification with those household members with an Identity Verification Status of "Not Verified". However, the Failed SSA Identity Test report will be checked monthly as a change in the Identity Verification Status may occur.

2. File Documentation

The PHA will retain in the participant file:

- a. The Summary Report(s) as verification of the SSN for all household members whose Identity Verification Status is "Verified".
- b. Correspondence or documentation received to resolve a household member's "Failed" or "Deceased" status.
- c. Documentation for household members identified as exempt from disclosing and providing verification of a SSN. Household members that are exempt include:
 - Tenants who were 62 years of age or older as of January 31, 2010 and whose initial determination of eligibility was begun before January 31, 2010; and
 - Individuals who do not contend eligible immigration status

No employment or income information will be provided in EIV for exempt individuals and therefore, third party verification from the income source will be required.

If the Summary Report in the participant file shows an Identity Verification Status of "Verified" for all household members required to have a SSN, the PHA will not continue to print out the Summary Report at recertification unless there is a change in household composition or in a household member's identity verification status. In addition, the PHA may remove and destroy copies of verification documentation received from the tenant to verify their SSN once the Identity Verification Status shows "Verified". Staff is encouraged to minimize the number of tenant records that contain documents that display the full nine-digit SSN.

3. Retention

The Summary Report and supporting documentation will be retained in the participant's file for the term of the participation plus 3 years.

B. Income Reports

The Income Report provides employment and income reported by the Department of Health and Human Services (HHS) and SSA for each household member that passes the SSA identity test. It also identifies participants who:

- May not have reported complete and accurate income information; and
 - May be receiving multiple subsidies.
1. Report Use

The Income Report will be used at annual and interim recertifications to:

 - a. Serve as third party verification of the participant's employment and other reported income.
 - b. The Income Report may be used any time the PHA receives information that any participant household member is receiving income from Social Security, Supplemental Security Income (SSI), Wages, or Unemployment Compensation that has not been reported to the PHA.
 - c. New Admissions. The PHA will review Income Reports for new admissions within 90 days after the move-in information is transmitted to PIC to confirm/validate the income reported by the household.
 - d. Discrepancies. The PHA will resolve discrepancies in reported income with the family within 30 days of the EIV Income Report date.
 2. File Documentation

The PHA will retain in the participant file:

 - a. Where there is no dispute of EIV Information:
 - EIV Income Report;
 - Current, acceptable, participant provided documents supporting the participant's income that may include, but is not limited to: four consecutive pay stubs or a hire letter that sets forth the date of hire, hourly wage and anticipated number of work hours per week to document employment income; copies of six consecutive bank statements; the award letter for social security benefits; the unemployment determination letter; or such other original documents that show the current income of the participant household member; and
 - Where the participant does not provide acceptable documents to the PHA, third party verification from the source of the income. The PHA may reject participant provided documents where: the document is not an original; the document appears to have been altered or is illegible; or the document appears to be forged.
 - b. Where the EIV Information is disputed:
 - EIV Income Report; and
 - Third party verification from the source of the disputed information.
 - c. Where the participant-reported income is not verified through the EIV system:
 - EIV Income Report;
 - Current, acceptable participant-provided documents as described above; and/or
 - Third party verification from the source of the income.
 - d. Any correspondence with/from the participant relating to disputes of the employment or income reported in EIV.
 - e. Form HUD-50058(s)
 3. Retention

The PHA will retain, in the participant file, a copy of the Income Report and any supporting documentation with the applicable form HUD-50058 for the term of tenancy plus 3 years.

The PHA will make copies of any participant provided documents and return the originals to the participant.

C. Income Discrepancy Report

The Income Discrepancy Report identifies households where there is a difference of \$2,400 or more in the wage, unemployment compensation and SSA benefit information reported in EIV and the wage, unemployment and SSA benefit information reported in PIC for the period of income used for the discrepancy analysis. The report serves as a tool to alert the PHA that there may be a discrepancy in the income reported by the participant during the period of income used for the discrepancy analysis.

1. Report Use

- a. The Income Discrepancy Report will be printed at the same time the Income Report is printed for use at annual and interim recertifications.
- b. Discrepancies will be reviewed and resolved at the time of recertification or within 30 days of the EIV Income Report date.
- c. Review data in PIC to make sure it agrees with the form HUD-50058 data.
- d. Correct any discrepant data in the PIC database.
- e. The Income Discrepancy Report may be used any time the PHA receives information that any participant household member is receiving income from Social Security, SSI, Wages, or Unemployment Compensation that has not been reported to the PHA.

2. Investigating Discrepancies

The PHA will investigate and confirm possible income discrepancies of \$2,400 or more as disclosed on the EIV Income Discrepancy Report. The PHA will also investigate and confirm other possible errors that may result in over or underpayment of HUD subsidy.

- a. The PHA will not suspend, terminate, reduce, make a final denial of rental assistance, or take any other adverse action against an individual based solely on the data in EIV.
- b. When the participant disputes the employment and income information in EIV, the PHA will independently verify the disputed information by obtaining third party verification directly from the third party source.
- c. The PHA will notify the participant of the results of any third party verification and request that the participant come into the office, within 10 days of the date of the notification, to discuss the results. The participant may contest the findings in the same manner as applies to other information and findings relating to eligibility factors.
- d. If the PHA determines that the participant is in non-compliance with his/her obligations under the Program because he/she knowingly provided incomplete or inaccurate information, the PHA will follow the guidance in this Plan for terminating the participant.

- e. Where fraud is suspected, the PHA will report this to the HUD Office of the Inspector General (OIG) Office of Investigation in the District that has jurisdiction in the state of Colorado.
3. Unreported or Underreported Income
If the PHA determines that the participant unreported or underreported his/her income, the PHA will go back to the time the unreported or underreporting of income started, not to exceed the 5-year limitation that the participant was receiving assistance described on forms HUD-9887-A and HUD-9886, and calculate the difference between the amount of rent the participant should have paid and the amount of rent the participant actually paid. The PHA will notify the participant of any amount due and their obligation to reimburse the PHA. A record of this calculation will be provided to the participant and also retained in the participant's file.

Participant's Obligation to Reimburse. Participants are obligated to reimburse the PHA if they are charged less rent than required by HUD's housing assistance payment formula due to underreporting or failure to report income. The participant is required to reimburse the PHA for the difference between the housing assistance payment that should have been paid and the housing assistance payment that was actually paid.

Repayment Options - Participants can repay amounts due:

- In a lump sum payment; or
- By entering into a repayment agreement with the PHA; or
- A combination of the above.

Participants who do not agree to repay amounts due in accordance with above, will be in non-compliance with the Program rules and may be subject to termination.

4. File Documentation
The PHA will document the participant file, regardless of whether it determines the discrepancy to be valid or invalid, with the following:
 - a. The Income Discrepancy Report.
 - b. All correspondence to/from the participant regarding the income discrepancy.
 - c. Documentation received to resolve the discrepancy, including written third party verification of income, if applicable.
 - d. Corrected form HUD-50058(s), if applicable.
 - e. Repayment Agreement, if applicable.
5. Retention
The PHA will retain in the participant file a copy of Income Discrepancy Report and any documentation related to the resolution of the discrepancy, including any repayment agreements for term of participation plus 3 years.

D. No Income Report

The No Income Report identifies participants who have passed the SSA identity test but have no income reported by HHS or SSA for the participant. This does not mean

that the participant has no income only that the participant may have income from a source not identified by EIV reports.

1. Report Use

- a. The PHA will interview participants to determine whether the participant has other sources of income and will provide the participant the opportunity to disclose any such income.
- b. On a quarterly basis, “zero” income participants, or participants that report no income at all, will be required to disclose and the PHA will re-verify their income.

2. File Documentation

- a. The PHA will obtain written third party verification from the sources of other income reported by the participant, if applicable.
- b. Correspondence/documents received for re-verification of zero income participants.

3. Retention

The PHA will retain in the participant file any documentation or third party verifications for other income reported by the participant for the term of tenancy plus 3 years.

E. New Hires Report

The New Hires Report identifies participants who have new employment within the last 6 months.

1. Report Use

The PHA will run the New Hires report at least quarterly. For participants identified in the New Hires Report, the PHA will:

- a. Contact the participant regarding new employment;
- b. Confirm new employment with the participant;
- c. Request the participant provided documents to support current income and/or third party verification from the employer, as applicable; and
- d. Process an Interim Recertification to include the new income, if applicable.

2. File Documentation

The PHA will retain in the participant file:

- a. New Hires Report with notation of action(s) taken.
- b. Where there is no dispute of EIV Information:
 - EIV Income Report;
 - Current, acceptable, participant provided documents that may include: four consecutive pay stubs or a hire letter that sets forth the date of hire, hourly wage and anticipated number of work hours per week to document employment income; copies of six consecutive bank statements; the award letter for social security benefits; the unemployment determination letter; or such other original documents that show the current income of the participant household member; and
 - Where the participant does not provide acceptable documents to the PHA, third party verification from the source of the income. The PHA may

reject participant provided documents where: the document is not an original; the document appears to have been altered or is illegible; or the document appears to be forged.

- c. Where the EIV Information is disputed:
 - EIV Income Report; and
 - Third party verification from the source of the disputed information.
 - d. Any correspondence with/from the participant relating to disputes of the employment or income reported in EIV.
 - e. Form HUD-50058(s).
3. Retention

The PHA will retain documentation of the New Hires Report as follows:

- a. Master file – The PHA will retain the New Hires Report and supporting documentation in a master “New Hires Report” file for 3 years.
- b. Participant file – The PHA will retain a copy of the New Hires Detail Report for the participant along with any correspondence with participant, third party verifications, form HUD-50058(s), etc., for the term of tenancy plus 3 years.

F. Verification Reports

1. Existing Tenant Search - Identifies applicants who may be receiving assistance at a Multifamily or PIH location.
 - a. Report Use. At the time of processing an applicant for admission, the PHA will search each applicant and applicant household member to see if they are receiving assistance at another location. The PHA will discuss with the participant the circumstances relative to being assisted at another Multifamily or PIH property. The PHA will follow up with respective PHA or Owner/Management Agent (O/A) to confirm the individual’s Program participation status before admission and coordinate move-in/out dates with PHA or O/A.
 - b. File Documentation. Search results for each member of the household will be retained with the application or participant file, whichever is applicable, along with the results of any contact with the applicant, the respective PHA or O/A will be recorded with the search results for the affected household member.
 - c. Retention. The PHA will retain the results of any contact with the PHA or O/A where the applicant is reported as receiving assistance and will record on and/or with the search results for the affected household member. If not admitted – the PHA will retain search results and any supporting documentation with the application for 3 years. If admitted, the PHA will retain in the participant files the search results and any supporting documentation along with the application for the term of tenancy plus 3 years.
2. Multiple Subsidy Report - Identifies participants who may be receiving rental assistance at more than one location.
 - a. Report Use. The PHA will obtain the Multiple Subsidy Report at least quarterly for both the Multifamily Housing and the Public and Indian Housing (PIH) programs. If a participant is identified as receiving assistance at more than one location, the PHA will provide the participant the opportunity to explain any circumstances relative to his/her being assisted at another

location. The PHA will follow up with respective PHA or O/A, if necessary, to confirm that the participant is being assisted at the other location. Depending on the results, the PHA may need to take action to terminate the assistance.

- b. File Documentation. The PHA will retain the search results and documentation supporting any contacts made or information obtained to determine if a household and/or household member is receiving multiple subsidies. In addition, the PHA will retain documentation to support any action taken if a household and/or household member is receiving multiple subsidies.

If a participant's multiple subsidies were discussed and resolved at the time of recertification, this will be noted on the printed report and no further action will be required.

- c. Retention. The PHA will retain documentation of the Multiple Subsidy Report as follows:
 - Master file – The PHA will retain the Multiple Subsidy Summary Report and supporting documentation in a master “Multiple Subsidy Report” file for 3 years.
 - Participant file – The PHA will retain a copy of the Multiple Subsidy Detail Report for the participant along with any documentation of action taken for a household member for the term of participation plus 3 years.
3. Failed EIV Pre-Screening Report - Identifies participants who have missing or invalid personal identifiers (last name, date of birth, SSN) in PIC. These participants will not be sent to SSA from EIV for the SSA identity test. Identifies participants who need to disclose a SSN to replace a PIC generated id number.
 - a. Report Use. The PHA will obtain the report monthly and will:
 - Follow up with participants identified on the report where discrepant personal identifiers were not corrected at the time of recertification;
 - Check accuracy of data entry, e.g., numbers not transposed in SSN;
 - Contact participant to confirm and obtain documents to verify discrepant personal identifiers; and
 - Correct PIC data within 30 days of the date of the report.
 - b. File Documentation.
 - Failed EIV Pre-screening Report documented with action taken to resolve invalid or discrepant personal identifiers.

This report will include those persons who are exempt from the SSN disclosure and verification requirements. In these instances the PHA will note on the copy of the report retained in the “Failed EIV Pre-Screening Report” master file that the participant(s) is exempt from the SSN requirements.

If a participant's information was corrected at the time of recertification but the EIV data has not yet been updated, this will be noted on the printed report and no further action is required.

- c. Retention. The PHA will retain documentation for the Failed EIV Pre-Screening Report as follows:
 - Master file – The PHA will retain the Failed EIV Pre-screening Report in a master “Failed EIV Pre-screening Report” file documented with the actions taken to resolve invalid or discrepant personal identifiers for 3 years.
 - Participant file – The PHA will retain a copy of the Failed EIV Pre-screening Report for the participant along with any documentation to verify discrepant personal identifiers for the term of the participation plus 3 years.
4. Failed Verification Report (Failed SSA Identity Test). This report identifies participants whose personal identifiers (last name, date of birth, SSN) do not match the SSA database as well as deceased participants.
 - a. Report Use. The PHA will obtain the report monthly and will:
 - Follow up with participants identified on the report where discrepant personal identifiers were not corrected at the time of recertification;
 - Check accuracy of data entry in PIC;
 - Contact participant to confirm and obtain documents to verify discrepant personal identifiers; and
 - Correct PIC data within 30 days of the date of the report.
 - b. File Documentation. The PHA will maintain the Failed Verification Report (Failed SSA Identity Test) report documented with the actions taken to resolve invalid or discrepant personal identifiers.

If a participant’s information was corrected at the time of recertification but the EIV data has not yet been updated, this will be noted on the printed report and no further action is required.

- c. Retention. The PHA will retain documentation for the Failed Verification Report as follows:
 - Master file – The PHA will retain the Failed Verification Report in a master “Failed Verification Report” file documented with the actions taken to resolve invalid or discrepant personal identifiers for 3 years.
 - Participant file – The PHA will retain a copy of the Failed Verification Report for the participant along with any documentation to verify discrepant personal identifiers for the term of the participation plus 3 years.
5. Deceased Tenants Report. This report identifies participants reported by SSA as being deceased.
 - a. Report Use. The PHA will obtain the Deceased Tenants Report quarterly and will:
 - Confirm, in writing, with the head of household, next of kin or contact person or entity provided by the participant to determine whether or not the person is deceased.
 - If deceased, within 30 days from date of report:

- i. Update family composition, and, if applicable, income and allowance, on the form HUD-50058.
 - ii. For a single member household, process move-out using form HUD-50058. The effective date to be retroactive to the earlier of 10 business days after the date of death or the date the unit was vacated.
- Update any discrepant data in PIC within 30 days from the date of the report.
- Encourage the participant to contact SSA if SSA's data is incorrect.
- b. File Documentation. The PHA will maintain the Deceased Participants Report documented with the action taken to resolve any discrepancy along with:
 - Form HUD-50058 with change of family composition or move-out. If action was taken to remove the deceased participant from the household or to terminate tenancy of a deceased single member of a household at the time of recertification but the EIV data has not yet been updated, this will be noted on the printed report and no further action is required.
- c. Retention. The PHA will retain documentation for the Deceased Participants Report as follows:
 - Master file – The PHA will retain the Deceased Participants Report in a master “Deceased Participants Report” file documented with the actions taken for 3 years.
 - Participant file – The PHA will retain a copy of the Form HUD-50058 and/or form HUD-50058-A plus any other documentation received for a particular participant for the term of participation plus 3 years.

RENT REASONABLENESS

The PHA must ensure that the rents charged by owners to participants in the HCV Program are reasonable. In order to make this determination, the PHA will compare the rent for voucher units to rents for similar unassisted units in the marketplace. The PHA will determine rent reasonableness under the following circumstances:

1. Prior to entering into a HAP contract for a unit, the PHA will document that the rent charged for the unit is similar to rents charged for similar unassisted units.
2. Prior to approving any rent increase to an owner, the PHA will document that the rent proposed for the unit is reasonable compared to similar units in the marketplace and not higher than those paid by unassisted tenants.
3. If there is a ten percent decrease in the published Fair Market Rent in effect 60 days before the HAP contract anniversary date as compared with the Fair Market Rent in effect one year before the contract anniversary date, the PHA will reexamine rent reasonableness at the contract anniversary date, even if the owner does not propose a rent increase, to ensure that rent reasonableness determinations reflect significant decreases in market rents.
4. If directed by HUD, the PHA will conduct rent reasonableness reviews on all or a portion of its units.

In comparing units and determining reasonable rent, the PHA will consider the following factors:

1. Location of the unit;
2. Size of the unit;
3. Type of unit (i.e. apartment, townhouse, single family house, mobile home, duplex);
4. Quality of the unit;
5. Age of the unit;
6. Amenities (i.e., air conditioning, washer/dryer, dishwasher, clubhouse, pool, playground);
7. Housing services (i.e., management staff, tenant services);
8. Maintenance services (i.e., maintenance staff); and
9. Utilities provided by the owner under the lease.

The documentation of rent reasonableness will be placed in the participating family's file.

The PHA will develop and maintain a database of unassisted and assisted units in its jurisdiction for use in making the rent reasonableness determination.

GUIDELINES AND STANDARDS FOR HOUSING QUALITY STANDARDS INSPECTIONS

The goal of the HCV Program is to provide affordable, decent, safe and sanitary housing to low-income families. To accomplish this goal, the PHA will conduct an inspection of all units, in accordance with Housing Quality Standards (HQS), prior to the execution of a HAP contract covering the unit. In addition, the PHA will conduct an HQS inspection of each assisted unit at least biennially during the assisted occupancy, and at other times as needed, to determine if the unit meets the HQS.

Quality control inspections and special inspections will also be conducted as required.

HQS inspections will be conducted using the HUD Inspection Form, the Inspection Checklist, and the Housing Inspection Manual for the Section 8 Existing Housing Program. HQS inspections will consist of the following performance requirements:

1. Sanitary facilities;
2. Food preparation and refuse disposal;
3. Space and Security;
4. Thermal environment;
5. Illumination and electricity;
6. Structure and materials;
7. Interior air quality;
8. Water supply;
9. Lead-based paint;
10. Access;
11. Site and neighborhood;
12. Sanitary conditions;
13. Smoke detectors; and

14. Carbon Monoxide Detectors.

Initial HQS Inspections

Prior to the execution of an assisted lease and HAP contract, the PHA will perform a HQS inspection of the unit. Upon receipt of a request for tenancy approval, the PHA will schedule a HQS inspection within 10 business days, provided however, that if the owner indicates that the unit will not be available for inspection within this 10 business day period, the 10 business day period will begin on the date that the owner states that the unit is available for inspection. Both the owner, or a representative thereof, and the tenant must be present at the initial HQS inspection.

The owner and tenant will be notified of the results of the HQS inspection and, if there are any HQS deficiencies, the owner will be given detailed information concerning the fail items and a deadline for the completion of the necessary repairs. If the owner fails to complete the repairs by this deadline, the PHA may cancel approval of the tenancy. If the time to complete the necessary repairs is expected to be 10 business days or more, the PHA may decide that the unit is unacceptable for leasing and cancel approval of the tenancy.

Annual/Biennial HQS Inspections

Each unit under HAP contract must be inspected within 24 months of the last full HQS inspection. The PHA reserves the right to conduct HQS inspection of any unit under HAP contract annually. Therefore, units may be inspected annually or biennially (every two years) according to PHA policies. Annual/Biennial inspections will be conducted during the reexamination process. In any year that a HQS inspection is required, the HQS inspection will be scheduled within 10 business days of the submission of a request for tenancy approval, provided however, that if the tenant or owner indicates that the unit will not be available for inspection within the 10 business bay period, the 10 business day period will begin on the date that the owner or tenant states that the unit is available for inspection. The Annual/ Biennial inspection will be conducted at least 30 days prior to the termination of the assisted lease and HAP contract. Both the owner, or a representative thereof, and the tenant must be present at the Annual/Biennial HQS inspection.

The owner and tenant will be notified in writing of the results of the HQS inspection and, if there are any HQS deficiencies, the owner and tenant will be given detailed information concerning the fail items and a deadline for the completion of the necessary repairs. If the owner fails to complete the repairs by this deadline, the PHA may abate payments of assistance or terminate the HAP contract.

The PHA must abate housing assistance payments to the owner for failure to correct an HQS violation under the following circumstances:

1. An emergency (life-threatening) violation is not corrected within 24 hours of inspection and the PHA did not extend the time for compliance; or
2. A routine violation is not corrected within 30 days of the inspection and the PHA did not extend the time for compliance.

Abatement will begin on the first of the month following the failure to comply.

The PHA will terminate the HAP contract if repairs are not made within 30 days of the date that abatement begins or until the family finds another unit provided that the family finds another unit within 60 days.

The PHA will terminate Program assistance to families who fail to correct HQS deficiencies that they caused. The PHA will notify the owner of its intent to terminate the family's Program assistance so the owner can begin eviction procedures. The PHA will continue to pay the owner until the eviction is completed.

Any time an inspector is present in an assisted unit, the inspector has the right to conduct a full inspection. If new HQS items are discovered during the time of a re-inspection, the new items must be noted and the owner and/or tenant must be notified to correct the deficiencies.

Owners are responsible to the PHA for compliance with all HQS items except those specifically assigned to tenants.

Tenants are responsible to correct HQS fail and inconclusive items resulting from:

1. Failure to pay for tenant-supplied utilities;
2. Failure to supply appliance(s) required by the lease; or
3. Damage to the unit.

Complaint HQS Inspections

The PHA will investigate complaints about HQS matters that are registered by tenants, owners or the general public.

Violations resulting from complaint inspections are treated in the same manner as annual/biennial inspection violations. Failure to comply with violation notices issued from complaint inspections result in abatement of payment to owners and/or termination of Program assistance for tenants.

The PHAs will schedule complaint inspections based upon the nature of the complaint as follows:

1. For an emergency (life-threatening) violation, the PHA will schedule an inspection within 24 hours of receiving the complaint; and
2. For a routine violation, the PHA will schedule an inspection within 30 days of receiving the complaint.

Abatement of Payments

The PHA will abate HAP payments to owners who do not comply with notifications to correct HQS deficiencies within the specified time period: 24 hours or 30-days depending upon the nature of the deficiency. For valid reasons, the PHA may extend the time period.

Placement of abatement must occur by the first of the month following expiration of the notice.

Except in the case of life threatening violations requiring corrections within 24 hours, the owner will receive 30-day written notification of the abatement.

Following a failure to comply with a notice of deficiency, owners are not entitled to HAP payments from the first of the month until the day the unit passes HQS.

Charges for Inspections

The PHA has established a fee of \$75.00 to owners for the reinspection of a unit where the owner has notified the PHA that a repair has been made or that the allotted time for making required repairs has elapsed and the reinspection reveals that the deficiency cited in the previous inspection for which the owner is responsible for repairing has not been corrected. The owner may not pass this fee along to the family. Fees collected under this provision will be included in the PHA's administrative fee reserve and may be used only for activities related to the provision of tenant based rental assistance.

Termination of HAP Contract

The PHA may terminate the HAP contract for an owner's failure to comply with its terms and conditions, including non-compliance with HQS. Both the owner and the tenant must be notified of intent to terminate.

The PHA may issue a voucher to the family to move, provided the family is eligible. The family should be reminded of its responsibility to the owner to give notice of intent to move, and must continue to pay its portion of the rent as long as the family remains in the unit.

Quality Control Inspections

Quality Control Inspections are required by HCV Program regulations and will be conducted annually. A PHA supervisor will conduct HQS inspections on a sample of units under HAP contract in accordance with HUD regulations. The sample will include a cross section of neighborhoods; unit types; initial inspections; and annual inspections. Owners and tenants will cooperate with the Quality Control Inspections performed by the PHA.

RE-EXAMINATIONS

1. Annual Reexaminations

At least once a year, the PHA will conduct a reexamination of the income and composition of families participating in the HCV Program. In addition, the PHA will conduct a criminal background investigation of all adults living in the household at the time of the annual reexamination. The PHA has established the anniversary date of the HAP contract as the reexamination effective date for participating families.

Ninety days prior to the expiration date of the HAP contract for a participating family, the PHA will mail written notice to the family of the date of the reexamination appointment, the location of the appointment, and the documents required to be brought to the appointment. A copy of the notice will be mailed to the owner at the same time, along with HUD Form 52517, Request for Lease Approval.

All information must be verified. The participating family will comply with the PHA's requests for verification by signing releases for third-party sources, presenting documents for review, or providing other suitable forms of verification.

If a participating family does not respond to the notice of reexamination, the PHA will mail a second notice to the participating family. If the family fails to respond to the second notice, the PHA will mail a written termination notice to the family and the owner that states that the housing assistance will be terminated, the effective date of the termination and the reasons for the termination. The termination notice will inform the participating family of their right to an Informal Hearing.

2. Streamlined Income Determination

For any family member with a fixed source of income, the PHA may elect to determine that family member's income by means of a streamlined income determination. A streamlined income determination will be conducted by applying, for each fixed-income source, the verified cost of living adjustment (COLA) or current rate of interest to the previously verified or adjusted income amount.

A family member with a fixed source of income is defined as a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

- a. Social Security, Supplemental Security Income, Supplemental Disability Insurance;
- b. Federal, state, local or private pension plans;
- c. Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or
- d. Any other source of income subject to adjustment by verifiable COLA or current rate of interest.

The PHA will use a COLA or current rate of interest specific to the fixed source of income in order to adjust the income amount. The PHA will verify the appropriate COLA or current rate of interest from a public source or through tenant provided, third-party generated documentation. If no such verification is available the PHA will obtain third-party verification of income amounts in order to calculate the change in income for the source.

For any family member whose income is determined pursuant to a streamlined income determination, the PHA will obtain third-party verification of all income amounts every 3 years.

3. Interim Reexaminations

Participating families will be required to report, within 30 days of the occurrence, changes in family composition and income during the period between annual reexaminations under the following circumstances:

- a. A person with income joins the household.
- b. An adult member of the household who was reported as unemployed on the most recent certification or re-certification obtains employment.
- c. The participating family can verify a change in his/her circumstances (such as decline in or loss of income) that would justify a reduction in the family's share of the rent. If a reduction is granted, the family must report subsequent increases in income.
- d. It is found that the participating family has misrepresented the facts upon which the family's share of the rent is based so that the rent that the family is paying is less than the rent that they should have been charged. The PHA then may apply an increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.
- e. The participating family's income cumulatively increases by \$200.00 per month or more.
- f. All changes in family composition must be reported to the PHA.
- g. The PHA may, at its discretion, require participating families that have reported, on the most recent certification or re-certification, that a member of the household is employed seasonally or on a temporary basis, to schedule interim reexaminations on a regular basis, such as quarterly.

4. Rent Adjustments

Participating families and owners will be notified in writing of interim reexamination results and the effective date of the change in HAP and family share of the rent.

- a. In the case of a rent decrease, the adjustment will become effective on the first day of the month following the reported change, provided that the participating family reported the change in a timely manner, as specified above. No adjustments will be made for temporary family conditions not exceeding 30 days. Families experiencing a temporary loss of income will be referred to various social service agencies for possible assistance.
- b. In the case of a rent increase, the adjustment will become effective on the first day of the second month following the month in which the change was reported, provided that the participating family reported the change in a timely manner, as specified above.
- c. In the case of a rent increase due to misrepresentation, failure to report a change in family composition, or failure to report an increase in income, the PHA will apply the increase in rent retroactive to the first of the month following the month in which the misrepresentation occurred.

TERMINATION OF ASSISTANCE

Grounds for Termination of Assistance

HUD requires the PHA to terminate assistance for certain offenses and when the family no longer requires assistance. HUD permits the PHA to terminate assistance for certain other actions family members take or fail to take. In addition, a family may decide to stop receiving assistance at any time by notifying the PHA.

- 1. Family no Longer Requires Assistance.** As a family's income increases, the amount of PHA subsidy goes down. If the amount of assistance provided by PHA drops to zero and remains at zero for 180 consecutive calendar days, the family's assistance terminates automatically.

If a participating family, receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero, the family must notify PHA of the changed circumstances and request an interim reexamination before the expiration of the 180-day period.

- 2. Family Chooses to Terminate Assistance.** The family may request that the PHA terminate the family's assistance at any time. The request to terminate assistance will be made in writing and signed by the head of household, spouse, or co-head.
- 3. Mandatory Termination of Assistance.** HUD requires the PHA to terminate assistance in the following circumstances.
 - a. Eviction.** The PHA must terminate assistance whenever a family is evicted from a unit assisted under the Program for a serious or repeated violation of the lease. Incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.

A family will be considered *evicted* if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was necessary.

If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. In such cases, the PHA will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in the Approach to Termination of Assistance Section of this Plan. In making its decision, the PHA will consider the factors described in Criteria for Deciding to Terminate Assistance Section of this Plan. Upon consideration of such factors, PHA may, on a case-by-case basis, choose not to terminate assistance.

Serious and repeated lease violations will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, and living or housekeeping habits that cause damage to the unit or premises and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests.

- b. Failure to Provide Consent.** The PHA must terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a reexamination.
- c. Failure to Document Citizenship.** The PHA must terminate assistance if:
 - i. a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status;
 - ii. a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or
 - iii. a family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. In this case, the termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated.
- d. Failure to Disclose and Document Social Security Numbers.** The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

However, if the family is otherwise eligible for continued program assistance, and the PHA determines that the family's failure to meet the SSN disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.

The PHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency, if there is a reasonable likelihood that the participant will be able to disclose an SSN by the deadline.

- e. Methamphetamine Manufacture or Production.** The PHA must terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

If any household member has been charged/arrested/convicted for possession/using/distributing/ manufacturing methamphetamine, assistance will be terminated or denied for a period of 10 years from the date of the charge/arrest/conviction, whichever is most recent.

- f. Failure of Students to Meet Ongoing Eligibility Requirements** If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have dependent children, is not residing with his/her parents in an HCV assisted household, and is not a person with disabilities receiving tenant based assistance as of November 30, 2005, the PHA must terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.

If a participant household consists of both eligible and ineligible students, the eligible students will not be terminated, but must be issued a voucher to move with continued assistance in accordance with program regulations and the PHA policies, or must be given the opportunity to lease in place if the terminated ineligible student members elect to move out of the assisted unit.

- g. Death of the Sole Family Member** The PHA must immediately terminate program assistance for deceased single member households.

4. Mandatory Policies and Other Authorized Terminations.

- a. Mandatory Policies.** HUD requires the PHA to establish policies that permit the PHA to terminate assistance if PHA determines that:

- i. Any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents
- ii. Any household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents
- iii. Any household member has violated the family's obligation not to engage in any drug-related criminal activity
- iv. Any household member has violated the family's obligation not to engage in violent criminal activity

- b. Use of Illegal Drugs and Alcohol Abuse.** The PHA will terminate a family's assistance if any household member is currently engaged in any illegal use of a drug, or has a pattern of illegal drug use that interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

Currently engaged in is defined as any use of illegal drugs during the previous twelve months.

The PHA will terminate assistance if any household member's abuse or pattern of abuse of alcohol threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

The PHA will consider all credible evidence, including but not limited to, any record of arrests, convictions, or eviction of household members related to the use of illegal drugs or abuse of alcohol.

The PHA will not use a record of arrest(s) as the only basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate assistance, PHA will consider alternatives and other factors as described in the Section on Approach to Termination set forth in this Plan. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

c. Drug-Related and Violent Criminal Activity

The PHA will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related activity that includes possession of drug paraphernalia or violent criminal activity during participation in the Program.

The PHA will consider all credible evidence, including but not limited to, any record of arrests and/or convictions of household members related to drug-related or violent criminal activity, and any eviction or notice to evict based on drug-related or violent criminal activity.

The PHA will not use a record of arrest(s) as the only basis for the termination or proof that the participant engaged in disqualifying criminal activity.

In making its decision to terminate assistance, PHA will consider alternatives and other factors as described in the Section on Approach to Termination that is set forth in this Plan. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

d, Other Authorized Reasons for Termination of Assistance. HUD permits the PHA to terminate assistance under a number of other circumstances. It is left to the discretion of the PHA whether such circumstances in general warrant consideration for the termination of assistance. The Violence Against Women Act of 2013 explicitly prohibits PHA from considering incidents of, or criminal activity directly related to, domestic violence, dating violence, sexual assault or stalking as reasons for terminating the assistance of a victim of such abuse.

The PHA will terminate a family's assistance if:

- i. The family has failed to comply with any family obligations under the program;

- ii. Any family member has been evicted from federally-assisted housing in the last 3 years;
- iii. Any PHA has ever terminated assistance under the program for any member of the family;
- iv. Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- v. The family currently owes rent or other amounts to any PHA in connection with Section 8 or public housing assistance under the 1937 Act;
- vi. The family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;
- vii. The family has breached the terms of a repayment agreement entered into with PHA; or
- viii. A family member has engaged in or threatened violent or abusive behavior toward PHA personnel.

Abusive or violent behavior towards PHA personnel includes verbal as well as physical abuse or violence. Use of racial epithets, or other language, written or oral, that is customarily used to intimidate may be considered abusive or violent behavior.

Threatening refers to oral or written threats or physical gestures that communicate intent to abuse or commit violence.

In making its decision to terminate assistance, PHA will consider alternatives and other factors as described in the Section on Approach to Termination as set forth in this Plan. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

- e. Family Absence from the Unit.** The family may be absent from the unit for brief periods. The PHA must establish a policy on how long the family may be absent from the assisted unit. However, the family may not be absent from the unit for a period of more than 180 consecutive calendar days for any reason. Absence in this context means that no member of the family is residing in the unit.

If the family is absent from the unit for more than 180 consecutive calendar days, the family's assistance will be terminated. The family must reapply for assistance and is subject to the eligibility policies of this Plan.

- f. Insufficient Funding.** The PHA may terminate HAP contracts if the PHA determines, in accordance with HUD requirements, that funding under the consolidated Annual Contributions Contract (ACC) is insufficient to support continued assistance for families in the program.

The PHA will determine whether there is sufficient funding to pay for currently assisted families and whether there is adequate funding to issue vouchers, approve moves to higher cost units and areas, and continue subsidizing all current participants by comparing the PHA's annual budget authority to the annual total HAP needs on a monthly basis. The total HAP needs for the calendar year will be projected by establishing the actual HAP costs year to date. To that figure, the PHA will add anticipated HAP expenditures for the remainder of the calendar year. Projected HAP expenditures will be calculated by multiplying the projected number of units leased per remaining months by the most current month's average HAP. The projected number of units leased per month will take into account the average monthly turnover of participant families. If the total annual HAP needs equal or exceed the annual budget authority, or if the PHA cannot support the cost of the proposed subsidy commitment (voucher issuance or move) based on the funding analysis, the PHA will be considered to have insufficient funding. If the PHA determines there is a shortage of funding, prior to terminating any HAP contracts, the PHA will determine if any other actions can be taken to reduce program costs. If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for all current participants, the PHA will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, the PHA will inform the local HUD field office. The PHA will terminate the minimum number needed in order to reduce HAP costs to a level within the PHA's annual budget authority. If the PHA must terminate HAP contracts due to insufficient funding, the PHA will do so in accordance with the following criteria and instructions: The PHA will terminate HAP contracts starting with Category 1 families. The PHA will only move to the next category when there are no families remaining in the current category and more HAP contract terminations are necessary. Category 1: Families who are currently not receiving any HAP assistance, as determined by the last rent roll processed (this would not include those families who did not receive HAP assistance because they are searching for a new home). Category 2: Families who have been issued a voucher but have not yet leased up will be "frozen" until further funding is available. Category 3: Families who have committed program fraud or abuse within the past 24 months. First, the PHA will terminate families who owe the PHA money but are not yet under repayment agreement. Second, the PHA will terminate families who owe the PHA money, are under repayment agreement, but have made at least one payment. Category 4: Last in, first out. Families will be terminated based on the date of admission to the program, starting with those most recently admitted.

Approach to Termination of Assistance

The PHA is required by regulation to terminate a family's assistance if certain program rules are violated. For other types of offenses, the regulations give the PHA the discretion either to terminate the family's assistance or to take another action. This part of the Plan discusses the various actions the PHA may choose to take when it has

discretion, and outlines the criteria the PHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notice that must be provided before terminating assistance.

1. **Method of Termination.** The way in which the PHA terminates assistance depends upon individual circumstances. HUD permits PHA to terminate assistance by:
 - a. terminating housing assistance payments under a current HAP contract;
 - b. refusing to approve a request for tenancy or to enter into a new HAP contract; or
 - c. refusing to process a request for or to provide assistance under portability procedures.

2. **Alternatives to Termination of Assistance.**

- a. **Change in Household Composition.** As a condition of continued assistance, the PHA may require that any household member who participated in or was responsible for the activity that is the basis for the termination to no longer reside in the unit.

As a condition of continued assistance, the head of household must certify that the culpable family member has vacated the unit and will not be permitted to visit or to stay as a guest in the assisted unit. The family must present evidence of the former family member's current address upon PHA request.

- b. **Repayment of Family Debts.** If a family owes amounts to the PHA, as a condition of continued assistance, PHA will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from PHA of the amount owed.

Criteria for Deciding to Terminate Assistance

1. **Evidence.** For criminal activity, HUD permits the PHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted.

The PHA will use the concept of the preponderance of the evidence as the standard for making all termination decisions.

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

2. **Consideration of Circumstances.** PHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated. The PHA will consider the following factors when making its decision to terminate assistance:
 - a. The seriousness of the situation, especially with respect to how it would affect other residents' safety or property;

- b. The effects that termination of assistance may have on other members of the family who were not involved in the action or failure to act;
- c. The extent of participation or culpability of individual family members, including a person with disabilities or a victim of domestic violence, dating violence, sexual assault or stalking; and
- d. The length of time since the violation occurred, including the age of the individual at the time of the conduct, as well as the family's recent history and the likelihood of favorable conduct in the future.

While a record of arrest(s) will not be used as the basis for termination, an arrest may trigger an investigation to determine whether the participant actually engaged in disqualifying criminal activity. As part of its investigation, the PHA may obtain the police report associated with the arrest and consider the reported circumstances of the arrest. PHA may also consider:

- a. Any statements made by witnesses or the participant not included in the police report;
- b. Whether criminal charges were filed;
- c. Whether, if filed, criminal charges were abandoned, dismissed, not prosecuted, or ultimately resulted in an acquittal; and
- d. Any other evidence relevant to determining whether or not the participant engaged in disqualifying activity

Evidence of criminal conduct will be considered if it indicates a demonstrable risk to safety and/or property

- a. In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully
- b. The PHA will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully. However, if assistance is continued and the participant fails to complete the supervised drug or alcohol rehabilitation program, it may result in termination of the family's assistance.
- c. In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family

3. Reasonable Accommodation. If the family includes a person with disabilities, PHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, PHA will determine whether the behavior is related to the disability. If so, upon the family's request, PHA will determine whether alternative measures are appropriate as a reasonable accommodation. PHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance.

Determinations Related to Domestic Violence, Dating Violence, Sexual Assault, or Stalking

This section addresses the protections against termination of assistance that the Violence Against Women Act of 2013 (VAWA) provides for victims of domestic violence, dating violence, sexual assault and stalking.

1. VAWA Protections Against Termination

VAWA provides four specific protections against termination of HCV assistance for victims of domestic violence, dating violence, sexual assault or stalking. (*Note:* The second, third, and fourth protections also apply to terminations of tenancy or occupancy by owners participating in the HCV program. So do the limitations discussed under the next heading.)

First, VAWA provides that the PHA may not terminate assistance to a family that moves out of an assisted unit in violation of the lease, with or without prior notification to the PHA, if the move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the unit.

Second, it provides that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may not be construed either as a serious or repeated lease violation by the victim or as good cause to terminate the assistance of the victim.

Third, it provides that criminal activity directly related to domestic violence, dating violence, or stalking may not be construed as cause for terminating the assistance of a tenant if a member of the tenant's household, a guest, or another person under the tenant's control is the one engaging in the criminal activity and the tenant or an affiliated individual of the tenant is the actual or threatened victim of the domestic violence, dating violence, sexual assault or stalking.

Fourth, it gives the PHA the authority to terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing, the victim of the violence.

2. Limitations on VAWA Protections

VAWA does not limit the authority of the PHA to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault or stalking so long as the PHA does not subject the victim to a more demanding standard than it applies to other program participants.

Likewise, VAWA does not limit the authority of the PHA to terminate the assistance of a victim of domestic violence, dating violence, sexual assault or stalking if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the assisted property if the victim is not terminated from assistance.

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- a. The duration of the risk;
- b. The nature and severity of the potential harm;
- c. The likelihood that the potential harm will occur; and
- d. The length of time before the potential harm would occur.

Even when a victim poses an actual and imminent threat, however, HUD regulations authorize the PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat".

In determining whether a program participant who is a victim of domestic violence, dating violence, or stalking is an actual and imminent threat to other tenants or those employed at or providing service to a property, PHA will consider the following, and any other relevant, factors:

- a. Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault or stalking;
- b. Whether the threat is a physical danger beyond a speculative threat;
- c. Whether the threat is likely to happen within a short period of time; and
- d. Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location or seeking a legal remedy to prevent the perpetrator from acting on the threat.

If the participant wishes to contest PHA's determination that he or she is an actual and imminent threat to other tenants or employees, the participant may do so as part of the informal hearing.

3. Documentation of Abuse. When an individual facing termination of assistance for reasons related to domestic violence, dating violence, sexual assault or stalking claims protection under VAWA, the PHA will request that the individual provide documentation supporting the claim in accordance with the policies in this Plan.

The PHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the individual will suffice. In such cases, the PHA will document the waiver in the individual's file.

4. Terminating the Assistance of a Domestic Violence Perpetrator. Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators. VAWA gives the PHA the explicit authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others" without terminating assistance to "or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant" [24 CFR 5.2009(a)]. This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member. Further, this authority supersedes any local, state, or other

federal law to the contrary. However, if the PHA chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance. This means that the PHA must follow the same rules when terminating assistance to an individual as it would when terminating the assistance of an entire family.

The PHA will terminate assistance to a family member if the PHA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the assistance of the remaining, nonculpable family members.

In making its decision, the PHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-5380) or other documentation of abuse submitted to the PHA by the victim in accordance with this section. The PHA will also consider the factors set forth in the Criteria for Terminating Assistance. Upon such consideration, the PHA may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

If the PHA does terminate the assistance of the culpable family member, it will do so in accordance with applicable law, HUD regulations, and the policies in this Plan.

Termination Notice

HUD regulations require the PHA to provide written notice of termination of assistance to a family only when the family is entitled to an Informal Hearing. The PHA will send a written notice of termination to the family and to the owner if a family whose assistance is being terminated is entitled to an Informal Hearing. The notice of termination that the PHA sends to the family will state the family's right to an Informal Hearing in accordance with this Plan.

Other notice requirements apply in two situations:

1. If a criminal record is the basis of a family's termination, a copy of the record must accompany (or precede) the termination notice, and a copy of the record must also be provided to the subject of the record; or
2. If immigration status is the basis of a family's termination, the special notice requirements set forth in Section on Assistance to Non-Citizens must be followed.

INFORMAL REVIEW

The PHA will provide an applicant with the opportunity for an Informal review if the applicant has been denied participation.

The PHA will use the following procedures to advise the applicant and conduct the review.

1. The applicant will be given written notification of the denial of assistance. Such notice will state the reasons for the denial.

2. The notice will state that the applicant has a right to request, in writing, an informal review of the decision to deny participation within 10 business days of the date of the notification.
3. The informal review will be conducted within 10 business days of the receipt by the PHA of the request for such review. The Executive Director will select a person, other than the person who made or approved the decision under review or a subordinate of such person, to conduct the Informal Review.
4. The applicant may present written or oral objections to the decision to deny participation at the Informal Review.
5. The PHA will notify the applicant of the PHA final decision concerning participation within 10 business days after the Informal Review. Such notice will include a brief statement of the reasons for the final decision.

In the case of an applicant who has been denied a preference, the PHA will follow the same procedure as set forth above.

The Executive Director will have sole the sole discretion to designate the person(s) who will conduct the Informal Review.

INFORMAL HEARING

The PHA will give a participant the right to an Informal Hearing to consider whether the following PHA decisions relating to the individual circumstance of a participant family are in accordance with the law, HUD regulations and PHA policies:

1. A determination of the Family's annual or adjusted income, and the use of such income to compute the housing assistance payment and the amount of total tenant payment, including the determination of the amount of imputed welfare income that must be included in the family's annual income.
2. A determination of the appropriate utility allowance, if any, for tenant paid utilities from the PHA utility allowance schedule.
3. A determination of the family unit size under the PHA subsidy standards.
4. A determination that a Program participant is living in a unit with more bedrooms than is appropriate for the family unit size under the PHA subsidy standards, or the PHA determination to deny the family's request for an exception from the standards.
5. A determination to terminate assistance for a participant family because of the family's action or failure to act.
6. A determination to terminate assistance because the particular family has been absent from the assisted unit for longer than 90 calendar days.

In the cases described in paragraphs 4, 5 and 6, the PHA will provide the opportunity for an Informal Hearing before the PHA terminates the housing assistance payments for a family under a current HAP Contract.

INFORMAL HEARING PROCEDURES

1. For any determination for which there is a right to an Informal Hearing, the PHA will notify the participant of the determination, the reasons for the determination and the participant's right to request an Informal Hearing, in writing, within 10 business days of the date of the notice.
2. Within 10 business days of receipt by the PHA of a request for an Informal Hearing, the Executive Director will select a Hearing Officer and schedule a hearing. The Hearing Officer will be someone other than the person who made the determination under review or a subordinate of such person.
3. The Program participant may be represented by a lawyer or other representative at his or her own expense.
4. The participant will be given the opportunity to examine, at the office of the PHA, before the Informal Hearing, any PHA documents that are directly relevant to the Hearing. The participant may copy any such documents at its or her own expense. If the PHA does not make a document available to the participant for examination on request of the participant, the PHA may not rely on such document at the Hearing.
5. The PHA will be given the opportunity to examine, at the offices of the PHA, before the Informal Hearing, any documents of the participant that are directly relevant to the hearing. The PHA will be allowed to make a copy of any such document at the PHA's expense. If the participant does not make the document available for examination on request of the PHA, the family may not rely on the document at the Hearing.
6. The Hearing Officer will be responsible to conduct the hearing in accordance with the following guidelines:
 - a. The participant or the participant's representative will first be given an opportunity to present his or her objections to the specific decision under review. The participant may present evidence or question witnesses at this time.
 - b. The PHA or the PHA's representative will then have the opportunity to explain the decision. The PHA may present evidence and question witnesses. The participant will have the opportunity to question any PHA witness at this time.
 - c. The Informal Hearing is not intended to duplicate judicial proceedings. Therefore, evidence may be considered by the Hearing Officer without regard to admissibility under the rules of evidence applicable to judicial proceedings.
 - d. The Hearing Officer will issue a written decision stating the reasons for the decision within 10 days of the Informal Hearing. Factual decisions related to the individual circumstances of the participant will be based on a preponderance of the evidence presented at the Informal Hearing. A copy of the decision will be sent by certified mail to the participant.
 - e. The PHA is not bound by the Informal Hearing decision:
 - i. Concerning a decision that is not identified in this Plan as eligible for an Informal Review or which is beyond the authority of the Hearing Officer or procedures; or
 - ii. Contrary to HUD regulations or requirements, or federal, state or local law.

If the PHA determines that it is not bound by the Informal Hearing decision, the PHA will notify the participant and state the reasons for such determination within 5 business days of the date of the receipt of the Hearing Officer.

COLLECTION POLICIES

In the interest of sound fiscal management and Program integrity, the PHA will make all efforts to collect amounts owed the PHA as a result of unreported income or amounts paid to owners on behalf of participants. The following procedures will be followed to ensure maximum collection of applicant or participant debt:

1. Applicants
No applicant will be admitted to the Program until any and all debts owed the PHA have been paid. The applicant's name may be placed on the waiting list as a potential eligible applicant but no Voucher will be issued until all debts are paid in full. No payback arrangements will be made with applicants as a condition of admittance to the Program.
2. Participants
Participants in the Program must agree to pay back any amounts owed the PHA in order not to jeopardize their continued assistance. The following procedures will be followed for Program participants:
3. Unreported Income
 - a. A limited payback arrangement will be negotiated, once the amount of overpayment of housing assistance payments has been established. A payback agreement will be executed based upon the financial circumstances of the family. The agreement will ensure that the full amount of the overpayment is reimbursed to the PHA within 246 months of the date the family was notified of the indebtedness.
 - b. If, prior to the full repayment of the debt, the family requests a new Voucher because they wish to move, the remaining balance of the debt must be paid before the new Voucher will be issued.
4. Payments of Damages or Vacancy Loss
 - a. Every effort will be made to determine the extent of the damages or vacancy loss before a new lease is approved or a HAP Contract is executed.
 - b. It is the policy of the PHA that owner claims for unpaid rent, damages and vacancy losses must be submitted to the PHA within 45 calendar days of the date that the participating family vacated the unit. Additionally, the owner must comply with the provisions of the lease and state and local laws relating to the return of security deposits to tenants or the claim will be denied by the PHA.
 - c. Payments to owners for unpaid rent, damages or vacancy loss will only be made by the PHA under Hap Contracts, which were executed prior to October 2, 1995.

POLICIES ON THE USE OF SPECIAL HOUSING TYPES

Single Room Occupancy Housing

In the interest of providing the maximum opportunity for freedom of housing choice, the PHA will allow the use of Single Room Occupancy (SRO) units for 0-bedroom Voucher holders. The PHA and HUD have determined that there is a significant demand for SRO housing and both the City of Fountain and the PHA approve the use of such housing.

The unique policies that apply to families wishing to lease SRO units are:

1. Definition - A dwelling unit that contains no bathroom or kitchen, or which contains one but not both of these facilities, and is suitable for occupancy by a single eligible individual.
2. Subsidy Standard -The maximum number of persons that may occupy an SRO unit is one.
3. Fair Market Rent/Payment Standard -The Fair Market Rent/Payment Standard for SRO units is 75% of the 0-bedroom Fair Market Rent/Payment Standard.
4. Utility Allowance - The utility allowance for SRO units is 75% of the 0-bedroom utility allowance.
5. Housing Quality Standards - Exterior doors and windows accessible from the outside of the SRO unit must be able to be locked. All other requirements specified in local codes for SRO units will be used by the PHA.

PROJECT-BASED VOUCHERS

INTRODUCTION

This section describes HUD regulations and PHA 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 PHA 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 PHA's discretion.

Part VI: Selection of PBV Program Participants. This part describes the requirements and policies governing how the PHA 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 [24 CFR 983.5]

The project-based voucher (PBV) Program allows PHAs that already administer a tenant-based voucher program under an annual contributions contract (ACC) with HUD to take up to 20 percent of its voucher program budget authority and attach the funding to specific units rather than using it for tenant-based assistance [24 CFR 983.6]. PHAs may only operate a PBV Program if doing so is consistent with the PHA's Annual Plan, and the goal of deconcentrating poverty and expanding housing and economic opportunities [42 U.S.C. 1437f(o)(13)].

PHA Policy:

PHA may operate a project-based voucher program that utilizes up to 20 percent of its voucher program budget authority. PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. The PHA is not required to reduce the number of PBV units selected for project-based assistance under an agreement to enter into HAP Contract (the "Agreement") or under a HAP contract, if the amount of budget authority is subsequently reduced. However, the PHA 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].

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 PHA 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.

PHA Policy:

Except as otherwise noted in this section, or unless specifically prohibited by PBV program regulations, PHA's policies for the tenant-based voucher program contained in this Administrative Plan also apply to the PBV Program and its participants.

Relocation Requirements. [24 CFR 983.7]

Any persons displaced as a result of implementation of the PBV Program will be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. PHAs may not use voucher program funds to cover relocation costs, except that PHAs may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes will 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 PHA to ensure the owner complies with these requirements.

Equal Opportunity Requirements. [24 CFR 983.8]

The PHA will 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 PHA will comply with the PHA Plan certification on civil rights to affirmatively further fair housing, submitted in accordance with 24 CFR 903.7(o).

PART II: PBV OWNER PROPOSALS

Overview.

The PHA will describe the procedures for owner submission of PBV proposals and for PHA selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the PHA will 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 PHA may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51 [Notice PIH 2011-54].

Owner-Proposal Selection Procedures. [24 CFR 983.51(b)]

The PHA will select PBV proposals in accordance with the selection procedures in the PHA administrative plan. The PHA will select PBV proposals by either of the following two methods.

1. PHA request for PBV Proposals. The PHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the PHA request. The PHA 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.
2. The PHA 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 3 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 PHA need not conduct another competition.

Solicitation and Selection of PBV Proposals. [24 CFR 983.51(c)]

PHA procedures for selecting PBV proposals will be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the PHA. 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 PHA request for PBV proposals will specify the submission deadline. Detailed application and selection information will be provided at the request of interested parties.

PHA Policy:

PHA will publish its advertisement for Request for Proposals (RFP) in newspapers of general circulation for at least one consecutive week. The advertisement will specify the number of project based units that the PHA estimates will be available. The due date for proposals will be specified in the RFP. In order for the proposal to be considered, the owner will submit the proposal to PHA by the published deadline date and the proposal will respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

PHA will rate and rank proposals using the following criteria:

1. Owner experience and capability as identified in the RFP;
2. Extent to which the project furthers PHA's goal of deconcentrating poverty and expanding housing and economic opportunities; and
3. Extent to which the project promotes self-sufficiency and asset development of families and individuals.

The PHA may also advertise the RFP in other trade journals and industry sources, including electronic advertising, as the PHA determines is appropriate for the project.

PHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program. PHA may select, without competition, a proposal for housing assisted under a federal, State, or local government housing assistance, community development, or supportive services program that required competitive selection of proposals (e.g., HOME and units competitively awarded low-income housing tax credits (LIHTCs)), where the proposal has been selected in accordance with such program's competitive selection requirements within 3 years of the PBV proposal selection date, and the earlier competitively selected housing assistance proposal did not involve any consideration that the project would receive PBV assistance.

PHA-Owned Units. [24 CFR 983.51(e) and 983.59]. PHA-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 PHA-owned units were appropriately selected based on the selection procedures specified in the PHA Administrative Plan. If the PHA selects a proposal for housing that is owned or controlled by the PHA, the PHA will identify the entity that will review the PHA proposal selection process and perform specific functions with respect to rent determinations and inspections. In the case of PHA-owned units, the initial contract rent will be approved by an independent entity. In addition, housing quality standards inspections will be conducted by an independent entity.

The independent entity that performs these program services may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.

PHA Policy:

PHA may submit a proposal for project-based housing that is owned or controlled by PHA or its subsidiary. If the proposal for PHA-owned or controlled housing is selected, the HUD field office or a HUD-approved independent entity will review the selection process to determine if the PHA owned or controlled units were appropriately selected based on the selection procedures specified in the PHA's administrative plan.

The PHA will make documentation available for public inspection regarding the basis of selection of a PVB proposal.

For PHA-owned or controlled housing, the initial contract rent will be approved by an independent entity. In addition, housing quality standards inspections will be conducted by an independent entity.

The PHA may only compensate the independent entity from PHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). The PHA may not use other program receipts to compensate the independent entity for its services. The PHA and independent entity may not charge the family any fee for the appraisal or the services provided by the independent entity.

PHA Notice of Owner Selection. [24 CFR 983.51(d)] The PHA will give prompt written notice to the party that submitted a selected proposal and will also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

PHA Policy:

Within 15 business days of PHA making the selection, PHA will notify the selected owner in writing of the owner's selection for the PBV Program. PHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

In addition, the PHA will publish its notice for selection of PBV proposals in the same newspapers and trade journals that the PHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV Program.

PHA will make available to any interested party its rating and ranking sheets and documents that identify PHA's basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. PHA will not make available sensitive owner

information that is privileged, such as financial statements and similar information about the owner.

PHA will make these documents available for review at PHA during normal business hours. The cost for reproduction of allowable documents will be \$.25 per page.

Housing Type. [24 CFR 983.52]

The PHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with the Agreement 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 PHA selection, the units substantially comply with housing quality standards (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 PHA will decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The PHA choice of housing type will be reflected in its solicitation for proposals.

Prohibition of assistance for certain Units. Ineligible Housing Types. [24 CFR 983.53]

1. The PHA may not attach or pay PBV assistance to:
 - a. Shared housing units;
 - b. Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
 - c. 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);
 - d. Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students;
 - e. Manufactured homes; and
 - f. Transitional housing.
2. Prohibition against assistance for owner-occupied unit. The PHA may not attach or pay PBV assistance for a unit occupied by an owner of the housing. A member of a cooperative who owns shares in the project assisted under the PBV Program will not be considered an owner for purposes of participation in the PBV Program.
3. Prohibition against selecting unit occupied by an ineligible family. Before a PHA selects a specific unit to which assistance is to be attached, the PHA will determine whether the unit is occupied and, if occupied, whether the unit's occupants are eligible for assistance. The PHA will not select or enter into an Agreement or HAP contract for a unit occupied by a family ineligible for participation in the PBV Program.
4. Prohibition against assistance for units for which commencement of construction or rehabilitation occurred prior to AHAP. The PHA may not attach or pay PBV

assistance for units for which construction or rehabilitation has commenced as defined in §983.152 after proposal submission and prior to execution of an AHAP.

Subsidized Housing. [24 CFR 983.54] A PHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

1. A public housing unit;
2. A unit subsidized with any other form of Section 8 assistance;
3. A unit subsidized with any governmental rent subsidy;
4. A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
5. A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
6. A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, a Rural Housing Service Program (except that the PHA may attach assistance for a unit subsidized with Section 515 interest reduction payments)
7. A Section 202 project for non-elderly with disabilities;
8. Section 811 project-based supportive housing for persons with disabilities;
9. Section 202 supportive housing for the elderly;
10. A Section 101 rent supplement project;
11. A unit subsidized with any form of tenant-based rental assistance; and
12. A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the PHA in accordance with HUD requirements.

Subsidy Layering Requirements. [24 CFR 983.55, FR Notice 11/24/08, FR Notice 7/9/10, and FR Notice 6/25/14] The PHA 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 PHA will submit the necessary documentation to HUD for a subsidy layering review. The PHA may not enter an Agreement or HAP contract until HUD or an independent entity approved by HUD has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

The HAP contract will 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.

25 Percent Cap on Number of PBV Units in each Project. [24 CFR 983.56].

In general, the PHA 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:

1. The units are in a single-family building (one to four units);
2. The units are excepted units in a multifamily project because they are specifically made available for a qualifying family. A qualifying family means:
 - a. elderly and/or disabled families; or
 - b. families receiving supportive services.

PHAs will include in the PHA administrative plan the type of services offered to families for a project to qualify for the exception and the extent to which such services will be provided. It is not necessary that the services be provided at or by the project, if they are approved services. To qualify, a family will have at least one member receiving at least one qualifying supportive service. A PHA may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.

If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, supportive services as defined in the PHA Administrative Plan, and successfully completes the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

The PHA will monitor the excepted family's continued receipt of supportive services and take appropriate action regarding those families that fail without good cause to complete their supportive services requirement. The PHA administrative plan will state the form and frequency of such monitoring.

PHA Policy:

PHA will require non-elderly and non-disabled families living in excepted units to receive supportive services. At least one member of the family will be receiving support services. The types of supportive services that may be offered include, but are not limited to:

1. Job readiness / Job training: Includes preparation and counseling, job development and placement and follow-up assistance after placement;
2. Education: Includes education for the completion of GED, post-secondary education, or computer training classes for children and adults;

3. Household Training: Includes homemaking, parenting skills, financial literacy and stability programs;
4. Self-Sufficiency Services and Resources: Includes accessing all appropriate services to assist the family to achieve economic independence and self-sufficiency;
5. Substance Abuse Treatment: Includes counseling, treatment for substance abuse and participation in ongoing support groups; and
6. Counseling for parents and other kinship relations caring for children with special needs: programs for families adopting children from CO Department of Social Services, foster care programs, Grand family programs.

Excepted units will also include units in single-family buildings and those made available for elderly or disabled families.

PHA will monitor the continued participation in the supportive services on an annual basis as part of the annual recertification. Families will be required to provide documentation from the service provider showing that a family member was actively receiving services throughout the year and are still receiving services. Families can use a verification form provided by PHA or original documents from the service provider.

Promoting Partially-Assisted Projects. [24 CFR 983.56(c)]

A PHA 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]. A PHA 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. A PHA may also determine not to provide PBV assistance for excepted units, or the PHA may establish a per-project cap of less than 25 percent.

PHA Policy:

PHA may provide assistance for excepted units as defined in 24 CFR 983.56(b). The per-project cap will be defined in the PBV RFP, the Agreement, and the HAP contract.

Site Selection Standards: Compliance with PBV Goals, Civil Rights Requirements, and HQS Site Standards. [24 CFR 983.57(b)].

The PHA 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 PHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities will be consistent with the PHA Plan under 24 CFR 903 and the PHA Administrative Plan. In addition, prior to selecting a proposal, the PHA will 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).

PHA Policy:

It is PHA's goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal, PHA will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, PHA will grant exceptions to the 20 percent standard where PHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

1. A census tract in which the proposed PBV development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
2. The PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
3. A census tract in which the proposed PBV development will be located is undergoing significant revitalization;
4. A census tract where state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;
5. Where new market rate units are being developed in the same census tract where the proposed PBV development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area;
6. If the poverty rate in the area where the proposed PBV development will be located is greater than 20 percent, the PHA should consider whether in the past five years there has been an overall decline in the poverty rate;
7. Where there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located.

Existing and Rehabilitated Housing Site and Neighborhood Standards. [24 CFR 983.57(d)]

The PHA 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 will:

1. Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
2. Have adequate utilities and streets available to service the site;
3. Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
4. 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
5. 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 will meet the following HUD required site and neighborhood standards:

1. The site will be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
2. The site will have adequate utilities and streets available to service the site;
3. The site will not be located in an area of minority concentration unless the PHA 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;
4. The site will 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.
5. The site will promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
6. The neighborhood will not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
7. The housing will 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
8. Except for housing designed for elderly persons, the housing will be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

Environmental Review. [24 CFR 983.58] PHA 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.). PHA 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 will 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 PHA may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the PHA, 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 PHA will supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The PHA will require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

PHA-owned units. The selection of PHA-owned units will be done in accordance with 24 CFR § 983.51(e).

1. Inspection and determination of reasonable rent by independent entity. In the case of PHA-owned units, the following program services may not be performed by the PHA, but will be performed instead by an independent entity approved by HUD.
 - a. Determination of rent to owner for the PHA-owned units. Rent to owner for PHA-owned units is determined pursuant to §§ 983.301 through 983.305 in accordance with the same requirements as for other units, except that the independent entity approved by HUD will establish the initial contract rents based on an appraisal by a licensed, state-certified appraiser; and
 - b. Inspection of PHA-owned units as required by § 983.103(f).
2. Nature of independent entity. The independent entity that performs these program services may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government) or another HUD-approved public or private independent entity.
3. Payment to independent entity and appraiser.
 - a. The PHA may only compensate the independent entity and appraiser from PHA ongoing administrative fee income (including amounts credited to the administrative fee reserve). The PHA may not use other program receipts to compensate the independent entity and appraiser for their services.
 - b. The PHA, independent entity, and appraiser may not charge the family any fee for the appraisal or the services provided by the independent entity.

PART III: DWELLING UNITS

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.

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.

Housing Accessibility for Persons with Disabilities. The housing will 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 PHA will 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, will 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)

Inspecting Units.

1. Pre-selection Inspection. [24 CFR 983.103(a)] The PHA will examine the proposed site before the proposal selection date. If the units to be assisted already exist, the PHA will inspect all the units before the proposal selection date, and will determine whether the units substantially comply with HQS. To qualify as existing housing, units will substantially comply with HQS on the proposal selection date. However, the PHA may not execute the HAP contract until the units fully comply with HQS.
2. Pre-HAP Contract Inspections. [24 CFR 983.103(b)] The PHA will inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.
3. Turnover Inspections. [24 CFR 983.103(c)] Before providing assistance to a new family in a contract unit, the PHA will inspect the unit. The PHA may not provide assistance on behalf of the family until the unit fully complies with HQS.
4. 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 PHA will 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.

PHA Policy:

PHA 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. Turnover inspections are not counted toward meeting this inspection requirement. If more than 20% of the annual sample fails the annual inspection, PHA will re-inspect 100 percent of the contract units in the building.

Other Inspections. [24 CFR 983.103(e)] The PHA will 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 PHA will take into account complaints and any other information coming to its attention in scheduling inspections.

The PHA will conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and will conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

In conducting PHA supervisory quality control HQS inspections, the PHA will include a representative sample of both tenant-based and project-based units.

Inspecting PHA-Owned Units [24 CFR 983.103(f)] In the case of PHA-owned units, the inspections will be performed by an independent agency designated by the PHA and approved by HUD. The independent entity will furnish a copy of each inspection report to the PHA and to the HUD field office where the project is located. The PHA will 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 PHA-owner.

PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS

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.

Purpose of Agreement. In the Agreement the owner agrees to develop the contract units to comply with the HQS, and the PHA agrees that, upon timely completion of such development in accordance with the terms of the Agreement, the PHA will enter into a HAP contract with the owner for the contract units.

Agreement Requirement. The PHA will enter into an Agreement with the owner at such time as provided in §983.153. The Agreement will be in the form required by HUD headquarters (see 24 CFR 982.162).

Commencement of construction or rehabilitation. The PHA may not enter into an agreement if commencement of construction or rehabilitation has commenced after proposal submission.

1. Construction begins when excavation or site preparation (including clearing of the land) begins for the housing; and
2. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing.

Description of housing. At a minimum, the Agreement will describe the following features of the housing to be developed (newly constructed or rehabilitated) and assisted under the PBV Program:

1. Site;
2. Location of contract units on site;
3. Number of contract units by area (size) and number of bedrooms and bathrooms;
4. Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent to owner;
5. Utilities available to the contract units, including a specification of utility services to be paid by owner (without charges in addition to rent) and utility services to be paid by the tenant;

6. Indication of whether or not the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205 and the accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR 8.22 and 8.23 apply to units under the Agreement. If these requirements are applicable, any required work item resulting from these requirements will be included in the description of work to be performed under the Agreement;
7. Estimated initial rents to owner for the contract units;
8. Description of the work to be performed under the Agreement. If the Agreement is for rehabilitation of units, the work description will include the rehabilitation work write up and, where determined necessary by the PHA, specifications, and plans. If the Agreement is for new construction, the work description will include the working drawings and specifications; and
9. At a minimum, the housing will comply with the HQS. The PHA may elect to establish additional requirements for quality, architecture, or design of PBV housing, over and above the HQS, and any such additional requirement will be specified in the Agreement.

Execution of the Agreement. [24 CFR 983.153] The Agreement will be executed promptly after PHA notice of proposal selection to the selected owner. The PHA may not enter into the Agreement if construction or rehabilitation has started after proposal submission. Generally, the PHA may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the PHA may not enter into the Agreement until the environmental review is completed and the PHA has received environmental approval. However, the PHA 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.

PHA Policy:

The PHA will enter into the Agreement with the owner within 15 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

Conduct of Development Work. The owner will carry out development work in accordance with the Agreement and the requirements of this section.

1. Labor Standards. [24 CFR 983.154(b)]
 - a. 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 will pay Davis-Bacon wages to laborers and mechanics employed in the development of housing.
 - b. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.
 - c. The owner, contractors, and subcontractors will 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 PHA will monitor compliance with labor standards.

2. Equal Opportunity. [24 CFR 983.154(c)]
 - a. The owner will comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135.
 - b. The owner will also comply with federal equal employment opportunity requirements.
3. Owner Disclosure. [24 CFR 983.154(d) and (e)]
 - a. The Agreement and HAP contract will 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.
 - b. The owner will also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

Completion of Housing. The Agreement will specify the deadlines for completion of the housing, and the owner will develop and complete the housing in accordance with these deadlines. The Agreement will 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 will submit the following evidence of completion to the PHA in the form and manner required by the PHA:

1. Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
2. Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.
3. At the PHA's discretion, the Agreement may specify additional documentation that will be submitted by the owner as evidence of housing completion. For example, such documentation may include:
 - a. A certificate of occupancy or other evidence that the units comply with local requirements (such as code and zoning requirements); and
 - b. An architect's certification that the housing complies with:
 - i. HUD housing quality standards;
 - ii. State, local, or other building codes;
 - iii. Zoning;
 - iv. The rehabilitation work write-up (for rehabilitated housing) or the work description (for newly constructed housing); or
 - v. Any additional design or quality requirements pursuant to the Agreement.

PHA Policy:

PHA 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. PHA will specify any additional documentation requirements in the Agreement to enter into the HAP contract.

PHA Acceptance of Completed Units. [24 CFR 983.156] Upon notice from the owner that the housing is completed, the PHA will 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 PHA will 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 PHA will not enter into the HAP contract. If the PHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the PHA will submit the HAP contract for execution by the owner and will then execute the HAP contract.

PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)

Overview. The PHA will 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 will cover a single project. If multiple projects exist, each project is covered by a separate HAP contract. The HAP contract will be in the form required by HUD [24 CFR 983.202(a)].

HAP Contract Requirements.

Contract Information. [24 CFR 983.203]

The HAP contract will specify the following information:

1. The total number of contract units by number of bedrooms;
2. 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;
3. 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;
4. Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
5. 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;
6. 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;
7. The HAP contract term;
8. 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
9. 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 PHA may not enter into a HAP contract until each contract unit has been inspected and the PHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract will be executed promptly after the PHA selects the owner proposal and inspects the housing units. For newly constructed or

rehabilitated housing the HAP contract will be executed after the PHA has inspected the completed units and has determined that the units have been completed in accordance with the Agreement, and the owner furnishes all required evidence of completion. In the HAP contract, the owner certifies that the units have been completed in accordance with the Agreement. Completion of the units by the owner and acceptance of units by the PHA is subject to the provisions of the Agreement.

PHA Policy:

For existing housing, the HAP contract will be executed within 15 business days of PHA determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 15 business days of PHA determining that the units have been completed in accordance with the Agreement, all units meet HQS, and the owner has submitted all required evidence of completion.

Term of HAP Contract [24 CFR 983.205 (a)] The PHA may enter into a HAP contract with an owner for an initial term of up to 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 PHA-owned units, the term of the HAP contract will be agreed upon by the PHA and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

PHA Policy:

The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis.

Extension of Term. [24 CFR 983.205 (b)] At the time of the initial HAP contract term or any time before expiration of the HAP contract, the PHA may extend the term of the contract for an additional term of up to 15 years if the PHA determines an extension is appropriate to continue providing affordable housing for low-income families. A HAP contract extension may not exceed 15 years. A PHA 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 PHA 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 will not begin prior to the expiration date of the previous extension term. Subsequent extensions are subject to the same limitations. All extensions will be on the form and subject to the conditions prescribed by HUD at the time of the extension. In the case of PHA-owned units, any extension of the term of the HAP contract will be agreed upon by the PHA and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

PHA Policy:

When determining whether or not to extend an expiring PBV contract, the PHA will consider several factors including, but not limited to:

1. The cost of extending the contract and the amount of available budget authority;
2. The condition of the contract units;
3. The owner's record of compliance with obligations under the HAP contract and lease(s);
4. Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and
5. Whether the funding could be used more appropriately for tenant-based assistance.

Termination by PHA. [24 CFR 983.205(c)] The HAP contract will provide that the term of the PHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the PHA 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 PHA may terminate the HAP contract by notice to the owner. The termination will 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 PHA. In this case, families living in the contract units will 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 will notify the PHA and assisted tenants of the termination. The notice will be provided in the form prescribed by HUD. If the owner does not give timely notice, the owner will 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 PHA 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 PHA determines that a contract does not comply with HQS, the PHA 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.

PHA Policy:

PHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies defined in the tenant-based voucher program contained in this Administrative Plan.

Amendments to the HAP Contract.

Substitution of Contract Units. [24 CFR 983.207(a)]

At the PHA'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 PHA will inspect the proposed unit and determine the reasonable rent for the unit.

Addition of Contract Units. [24 CFR 983.207(b)]

At the PHA'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 PHA's PBV Program, a HAP contract may be amended during the 3-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.

PHA Policy:

PHA will consider adding contract units to the HAP contract when PHA determines that additional housing is needed to serve eligible low-income families. Circumstances may include, but are not limited to:

1. The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and
2. Voucher holders are having difficulty finding units that meet program requirements.

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.

Owner Responsibilities under the HAP Contract. [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:

1. All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
2. The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;

3. Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements;
4. 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;
5. 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;
6. The amount of the HAP the owner is receiving is correct under the HAP contract;
7. The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
8. 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;
9. The family does not own or have any interest in the contract unit (does not apply to family's membership in a cooperative); and
10. 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 will be in compliance with Davis-Bacon wage requirements.

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 will provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the PHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration will be in accordance with the standard practice for the building as established by the owner.

The PHA may elect to establish additional requirements for quality, architecture, or design of PBV housing. Any such additional requirements will be specified in the Agreement and the HAP contract. These requirements will be in addition to, not in place of, compliance with HQS.

PHA Policy:

PHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. PHA will specify any special design standards or additional requirements in the request for PBV proposals (RFP), the Agreement, and the HAP contract.

Vacancy Payments. [24 CFR 983.352(b)] At the discretion of the PHA, the HAP contract may provide for vacancy payments to the owner for a PHA-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 PHA 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). The owner will submit a request for vacancy payment in the form and manner required by PHA and will provide any information or substantiation required by PHA to determine the amount of any vacancy payment.

PHA Policy:

If an assisted family moves out of the unit without notice or is deceased, the owner may keep the HAP payable for the calendar month when the family moves out (move out month). However, the owner may not keep the payment if the PHA determines that the vacancy is the owner's fault.

The PHA will not pay for an overlapping HAP.

The PHA will decide on case-by-case basis if it will provide vacancy payments to the owner. The HAP Contract with the owner will contain any such agreements including the amount of the vacancy payment and the period of time for which the owner qualifies for these payments. If the PHA provides a vacancy payment as defined in a HAP contract with an owner, the following policies would apply.

When a family vacates its unit, the owner is eligible for a vacancy payment if:

1. The owner gives PHA prompt written notice certifying that the family has vacated the unit and containing the date when the family moved out (to the best of the owner's knowledge and belief);
2. 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;
3. The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy;
4. The owner provides any additional information required and requested by PHA to verify that the owner is entitled to the vacancy payment; and
5. The owner must submit a request for vacancy payment in the form and manner required by PHA and must provide any information or substantiation required by PHA to determine the amount of any vacancy payment.

Vacancy loss and payment Calculation:

The vacancy loss begins the later of:

1. The date the unit is rent ready, per the owner / manager;
2. The day after the lease end date for the HAP was paid to the owner; or
3. The vacancy payment will not exceed the monthly contract rent.

Any rental payment received by the owner from the tenant (including amounts available from the tenant's security deposit) will be deducted from the vacancy payment. Vacancy loss extends from the beginning of the first calendar month after the move-out month for a period not exceeding one full month following the move-out month. Vacancy loss calculation will be based on actual calendar days per month. Vacancy payments may cover only the period the unit remains vacant and is in rent-ready condition.

PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS

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.

Eligibility for PBV Assistance. [24 CFR 983.251(a) and (b)]

The PHA may select families for the PBV Program from those who are participants in the PHA'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 will be determined at the commencement of PBV assistance.

Applicants for PBV assistance will meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants will qualify as a family as defined by HUD and the PHA, 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 will provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the PHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. The PHA 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 will also meet HUD requirements related to current or past criminal activity.

PHA Policy:

PHA will determine an applicant family's eligibility for the PBV Program in accordance with the policies in the PHA's HCV Administrative Plan.

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 PHA 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 will be placed on the PHA's waiting list. Once the family's continued eligibility is determined (the PHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family will be given an absolute selection preference and the PHA will 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.

Organization of the Waiting List. [24 CFR 983.251(c)]

The PHA 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 PHA may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by the PHA. If the PHA chooses to offer a separate waiting list for PBV assistance, the PHA will offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance. If a PHA decides to establish a separate PBV waiting list, the PHA may use a single waiting list for the PHA'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.

PHA Policy:

PHA will establish and manage a separate PBV waiting lists for PBV units in particular projects or buildings or sets of PBV units in a project.

Selection from the Waiting List. [24 CFR 983.251(c)]

Applicants who will occupy units with PBV assistance will be selected from the PHA's waiting list. The PHA may establish selection criteria or preferences for occupancy of particular PBV units. The PHA 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 PHA's tenant-based and project-based voucher programs during the PHA fiscal year from the waiting list will 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 PHA will first refer families who require such features to the owner.

Preferences. [24 CFR 983.251(d), FR Notice 11/24/08]

The PHA 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 PHA will provide an absolute selection preference for eligible in-place families as described above.

Although the PHA is prohibited from granting preferences to persons with a specific disability, the PHA 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):

1. With disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;

2. Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
3. 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 will 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 PHA 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 PHA will give preference to such families when referring families to these units [24 CFR 983.261(b)].

PHA Policy:

PHA 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).

PHA may offer additional preferences for the PBV Program or for particular PBV projects or units, depending on the supportive services offered at those units. When PHA has the opportunity to target PBV’s for special needs populations, PHA will enter into a Memorandum of Understanding (MOU) to provide supportive housing in collaboration with another local agency which would provide the supportive services for the special needs population. In the MOU, the two organizations will identify the referral criteria and establish policies to ensure eligibility requirements are met.

At the time the project’s waiting list is opened, applicants on the tenant-based waiting list will be given the opportunity to be added to the project’s waiting list. Additionally, referrals would come directly from the collaborating agency to be added to the project waiting list. Families who meet the criteria would be given first preference for the limited preference units.

Offer of PBV Assistance.

Refusal of Offer. [24 CFR 983.251(e)(3)]

The PHA is prohibited from taking any of the following actions against a family who has applied for, received, or refused an offer of PBV assistance:

1. Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
2. Deny any admission preference for which the applicant qualifies;
3. Change the applicant’s place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the PHA’s selection policy;
4. 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 PHA will give the family an oral briefing. The briefing will include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the PHA will provide a briefing packet that explains how the PHA 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 PHA will 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. In addition, the PHA will have a mechanism for referring a family that includes a member with mobility impairment to an appropriate accessible PBV unit.

Persons with Limited English Proficiency.

The PHA 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 13116.

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 will 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 will lease contract units to eligible families that are selected and referred by the PHA from the PHA's waiting list. The contract unit leased to the family will be the appropriate size unit for the size of the family, based on the PHA's subsidy standards.

Filling Vacancies. [24 CFR 983.254(a)]

The owner will promptly notify the PHA of any vacancy or expected vacancy in a contract unit. After receiving such notice, the PHA will make every reasonable effort to promptly refer a sufficient number of families for the owner to fill such vacancies. The PHA and the owner will make reasonable efforts to minimize the likelihood and length of any vacancy.

PHA Policy:

The owner will notify PHA in writing (mail, fax, or e-mail) within 2 business day of learning about any vacancy or expected vacancy. PHA will make every reasonable effort to refer families to the owner within 15 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 PHA 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.

PHA Policy:

If any contract units have been vacant for 120 days, PHA 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. PHA 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 PHA's notice.

Tenant Screening. [24 CFR 983.255]

PHA Responsibility.

The PHA is not responsible or liable to the owner or any other person for the family's behavior or suitability for tenancy. However, the PHA may opt to screen applicants for family behavior or suitability for tenancy and may deny applicants based on such screening.

PHA Policy:

PHA will not conduct screening to determine a PBV applicant family's suitability for tenancy.

The PHA will provide the owner with an applicant family's current and prior address (as shown in PHA records) and the name and address (if known by the PHA) of the family's current landlord and any prior landlords.

The PHA will provide applicant families a description of the PHA policy on providing information to owners, and the PHA will give the same types of information to all owners.

The PHA 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)].

PHA Policy:

PHA 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. PHA 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:

1. Payment of rent and utility bills;
2. Caring for a unit and premises;
3. Respecting the rights of other residents to the peaceful enjoyment of their housing;
4. Drug-related criminal activity or other criminal activity that is a threat to the health, safety, or property of others; and
5. Compliance with other essential conditions of tenancy.

PART VII: OCCUPANCY

Overview.

After an applicant has been selected from the waiting list, determined eligible by the PHA, referred to an owner and determined suitable by the owner, the family will sign the lease and occupancy of the unit will begin.

Lease. [24 CFR 983.256]

The tenant will 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 will 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 will be used for assisted tenants, except that the lease will include a HUD-required tenancy addendum. The tenancy addendum will include, word-for-word, all provisions required by HUD.

If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease, such as a PHA model lease.

The PHA may review the owner's lease form to determine if the lease complies with state and local law. If the PHA determines that the lease does not comply with state or local law, the PHA may decline to approve the tenancy.

PHA Policy:

PHA generally will not review the owner's lease for compliance with state or local law but reserves the right to review an owner lease for compliance with state or local law.

Lease Requirements. [24 CFR 983.256(c)]

The lease for a PBV unit will specify all of the following information:

1. The names of the owner and the tenant;

2. The unit rented (address, apartment number, if any, and any other information needed to identify the leased contract unit);
3. The term of the lease (initial term and any provision for renewal);
4. The amount of the tenant rent to owner, which is subject to change during the term of the lease in accordance with HUD requirements;
5. A specification of the services, maintenance, equipment, and utilities that will be provide by the owner; and
6. The amount of any charges for food, furniture, or supportive services.

Tenancy Addendum. [24 CFR 983.256(d)]

The tenancy addendum in the lease will state:

1. The program tenancy requirements;
2. The composition of the household as approved by the PHA (the names of family members and any PHA-approved live-in aide);
3. All provisions in the HUD-required tenancy addendum will 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 will be for at least one year. The lease will 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:

1. The owner terminates the lease for good cause;
2. The tenant terminates the lease;
3. The owner and tenant agree to terminate the lease;
4. The PHA terminates the HAP contract; or
5. The PHA 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 will be in writing, and the owner will immediately give the PHA a copy of all changes. The owner will notify the PHA 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 PHA and in accordance with the terms of the lease relating to its amendment. The PHA will 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 terminate tenancy in the tenant-based voucher program (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 PHA policy. According to program requirements, the family's assistance will be terminated if they are absent from the unit for more than 180 consecutive days. PHA 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 will 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 PHA. After the 180-day period, the unit will be removed from the HAP contract pursuant to 24 CFR 983.211.

PHA Policy:

If a participating family receiving zero rental assistance experiences a change in circumstances that would result in a HAP payment to the owner, the family will notify PHA 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 PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

PHA Policy:

PHA will allow the owner to collect a security deposit amount that is not in excess of amounts charged by the owner to unassisted tenants. 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 will 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 will 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 PHA has no liability or responsibility for payment of any amount owed by the family to the owner.

Moves: Overcrowded, Under-Occupied, and Accessible Units. [24 CFR 983.260]

If the PHA determines that a family is occupying a wrong size unit, based on the PHA'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 PHA will promptly notify the family and the owner of this determination, and the PHA will offer the family the opportunity to receive continued housing assistance in another unit.

PHA Policy:

PHA 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 PHA's determination. PHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

1. PBV assistance in the same building or project;
2. PBV assistance in another project; or
3. Tenant-based voucher assistance.

If the PHA offers the family a tenant-based voucher, the PHA will 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 PHA) 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 PHA will remove the unit from the HAP contract.

If the PHA 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 PHA, or both, the PHA will terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the PHA and remove the unit from the HAP contract.

PHA Policy:

When PHA 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, PHA will terminate the housing assistance payments at the expiration of this 30-day period. PHA 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 will give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the PHA. If the family wishes to move with continued tenant-based assistance, the family will contact the PHA to request the rental assistance prior to providing notice to terminate the lease.

PHA Policy:

PBV participants may be eligible to move when all the following criteria are true:

1. The PBV participant family has completed 1 full year of occupancy;
2. The participant family has no outstanding debts to the owner and / or PHA; and
3. The participant family has given advance notice of intent to vacate to the owner and PHA in accord with any terms of the lease.

If the family terminates the lease in accordance with these requirements, the PHA 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 PHA will 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.

Exceptions to the Occupancy Cap. [24 CFR 983.262]

The PHA 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(a)]:

1. In a single-family building;
2. Specifically made available for elderly and/or disabled families; or
3. Specifically made available for families receiving supportive services as defined by the PHA. At least one member will 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 supportive services or any other service as defined by the PHA and successfully completes 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 supportive services requirements, or a family that is no longer elderly or disabled due to a change in family composition where the PHA does not exercise discretion to allow the family to remain in the excepted unit), will vacate the unit within a reasonable period of time established by

the PHA, and the PHA will 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 will 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 will be terminated by the PHA.

The PHA 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 will be made available to and occupied by a qualified family.

PHA Policy:

PHA will allow families who initially qualified to live in an excepted unit to remain in such unit when circumstances change due to circumstances beyond the remaining family members' control. In all other cases, when PHA determines that a family no longer meets the criteria for a "qualifying family" in connection with the 25 percent per project cap exception, PHA 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, PHA will terminate the housing assistance payments at the expiration of this 30-day period. PHA 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.

PHA 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 PHA, PHA will amend the HAP contract to reduce the total number of units under contract.

PART VIII: DETERMINING RENT TO OWNER

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 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.

Rent Limits. [24 CFR 983.301]

Except for certain tax credit units (discussed below), the rent to owner will not exceed the lowest of the following amounts:

1. An amount determined by the PHA, 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;
2. The reasonable rent; or
3. 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:

1. The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
2. The contract unit is not located in a qualified census tract;
3. 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
4. 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 will not exceed the lowest of:

1. The tax credit rent minus any utility allowance;
2. The reasonable rent; or
3. 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 PHA will 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 PHA 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 will be reduced in the following cases:

1. To correct errors in calculations in accordance with HUD requirements
2. 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
3. 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 PHA has not elected within the HAP contract to establish the initial rent to owner as the rent floor, the rent to owner will not at any time exceed the reasonable rent.

PHA Policy:

PHA 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, PHA 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 PHA will use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When re-determining the rent to owner, the PHA will use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, the PHA 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 standard amount for use in the PBV program. Likewise, the PHA 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.

PHA Policy:

Upon written request by the owner, PHA 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 will explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. PHA 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, PHA 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 PHA determines it is necessary due to PHA budgetary constraints.

Redetermination of Rent. [24 CFR 983.302]

The PHA will 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 PHA, it will be requested at the annual anniversary of the HAP contract (see Section 17-V.D.). The request will be in writing and in the form and manner required by the PHA. The PHA 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).

PHA Policy:

An owner's request for a rent increase will be submitted to PHA 60 days prior to the anniversary date of the HAP contract, and will include the new rent amount the owner is proposing.

The PHA 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 will be decreased regardless of whether the owner requested a rent adjustment, except where the PHA 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 PHA to the owner specifying the amount of the re-determined rent. The PHA 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.

PHA Policy:

PHA will provide the owner with at least 30 days written notice of any change in the amount of rent to owner.

PHA-Owned Units. [24 CFR 983.301(g)]

For PHA-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 PHA will use the rent to owner established by the independent entity.

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 PHA, except where the PHA 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 PHA will re-determine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

1. 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;
2. The PHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
3. The HAP contract is amended to substitute a different contract unit in the same building or project; or
4. 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 will be determined by comparison to rent for other comparable unassisted units. When making this determination, the PHA will 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 will use at least 3 comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis will show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and will be retained by the PHA. The comparability analysis may be performed by PHA 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.

PHA-Owned Units.

For PHA-owned units, the amount of the reasonable rent will be determined by an independent agency approved by HUD in accordance with PBV Program requirements. The independent entity will provide a copy of the determination of reasonable rent for PHA-owned units to the PHA 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 PHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

Effect of Other Subsidy. [24 CFR 983.304]

In addition to the rent limits discussed 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.

To comply with HUD subsidy layering requirements, at the discretion of HUD or its designee, a PHA will 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:

1. An insured or non-insured Section 236 project;
2. A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
3. A Section 221(d)(3) below market interest rate (BMIR) project;
4. A Section 515 project of the Rural Housing Service;
5. 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**Housing Assistance Payments. [24 CFR 983.351]**

During the term of the HAP contract, the PHA will make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments will 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 will be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.

Except for discretionary vacancy payments, the PHA 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 PHA 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 will 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.

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 PHA determines that the vacancy is the owner's fault.

PHA Policy:

If PHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to the keep the housing assistance payment, PHA will notify the landlord of the amount of housing assistance payment that the owner will repay. PHA will require the owner to repay the amount owed in accordance with the policies defined in PHA's HCV Administrative Plan.

At the discretion of the PHA, the HAP contract may provide for vacancy payments to the owner. The PHA may only make vacancy payments if:

1. The owner gives the PHA 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);
2. 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;
3. The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
4. The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.

The owner will submit a request for vacancy payments in the form and manner required by the PHA and will provide any information or substantiation required by the PHA to determine the amount of any vacancy payment.

PHA Policy:

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner will have properly notified PHA of the vacancy in accordance with the policy above.

In order for a vacancy payment request to be considered, it will be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request will include the required owner certifications and PHA may require the owner to provide documentation to support the request. If the owner does not provide

the information requested by PHA within 10 business days of PHA's request, no vacancy payments will be made.

Vacancy loss and payment Calculation.

The vacancy loss begins the later of:

1. The date the unit is rent ready, per the owner / manager; or
2. The day after the lease end date for the HAP was paid to the owner.

The vacancy payment will not exceed the monthly contract rent.

Any rental payment received by the owner from the tenant (including amounts available from the tenant's security deposit) will be deducted from the vacancy payment. Vacancy loss extends from the beginning of the first calendar month after the move-out month for a period not exceeding one full month following the move-out month. Vacancy loss calculation will be based on actual calendar days per month. Vacancy payments may cover only the period the unit remains vacant and is in rent-ready condition.

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 PHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the PHA 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 PHA 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 PHA. The owner will immediately return any excess payment to the tenant.

Tenant and PHA 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 PHA. Likewise, the PHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The PHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The PHA 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 PHA will pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner will be zero. The PHA may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If the PHA chooses

to pay the utility supplier directly, the PHA will notify the family of the amount paid to the utility supplier.

PHA Policy:

PHA will make utility reimbursements payments directly to the family.

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.

THRESHOLD FOR ADMINISTRATIVE FEE RESERVE EXPENDITURES

The Administrative Fee Reserve must be used to pay Section 8 administrative costs that exceed earned administrative fees for a PHA fiscal year.

The PHA must ensure that projected administrative fees and the Administrative Fee Reserve will cover all projected costs of efficient and effective program administration through remaining Annual Contribution Contract Terms.

Administrative Fee Reserve funds may be expended for other housing purposes consistent with the PHA's authority under state and local law, provided that the amount used for other housing purposes are not required for projected administrative expenses through remaining terms.

The PHA Board of Commissioners has set the below listed threshold for the amount of expenditures which may be made from the Administrative Fee Reserve for the other housing purposes without prior approval from the Board.

ADMINISTRATIVE FEE RESERVE EXPENDITURES

Cumulating Administrative Fee Reserve expenditures within any given fiscal year for other housing purposes may not exceed \$5,000.00 without prior approval from the Board of Commissioners.

STAFFING

Executive Director	Overall Program Responsibilities
Housing Manager	60% case load plus day-to-day coordination of routine administrative activities
Housing Technician	40% case load plus day-to-day coordination of property management activities
Housing Inspector/Clerk	100% HQS inspections and 60% general clerical support