

St. Louis Housing Authority

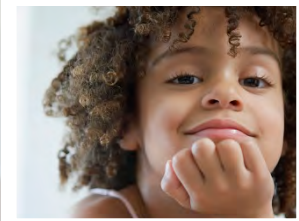
# Administrative Plan

## Housing Choice Voucher Program

**Approved: October 25, 2018**

**Revision No. 11**

St. Louis Housing Authority  
3520 Page Boulevard  
St. Louis, Missouri 63106



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**HOUSING**  
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# **Chapter 1 Overview and Purpose of the Plan**

## **1.1 Introduction**

The Housing Choice Voucher (HCV) program (formally known as Section 8) provides rental assistance to qualified low-income families. HCV is a federally funded program overseen by the U.S Department of Housing and Urban Development (HUD). The St. Louis Housing Authority (SLHA) is a municipal corporation organized and existing under state law to develop and operate housing and housing programs for low-income families. To administer the program, SLHA enters into an Annual Contributions Contract with HUD. SLHA must operate the program in compliance with federal laws and regulations that govern the program. The purpose of this Administrative Plan is to provide guidance, clarify federal requirements and ensure consistency in program operation.

## **1.2 Mission Statement**

The St Louis Housing Authority commits to efficiently build and maintain desirable, affordable housing for residents of the St. Louis area through forthright leadership, innovative partnerships, progressive technology, and expansion of new resources. We seek to improve the quality of life for employees, residents and the community by providing employment opportunities, education, training and ethical, professional service.

## **1.3 HCV Program Objectives**

SLHA will operate the HCV program using the following objectives as guidance:

- Provide decent, safe, and sanitary housing – in compliance with program housing quality standards – for very low-income families while ensuring that family rents are fair, reasonable, and affordable
- Encourage self-sufficiency of participant families and assist in the expansion of family opportunities that address educational, socio-economic, recreational and other human services needs
- Promote fair housing and the opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice
- Promote a housing program that maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families
- Promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families
- Create positive public awareness and expand the level of family, owner and community support in accomplishing SLHA's mission
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components
- Administer an efficient, high-performing program through continuous improvement of SLHA's support systems and commitment to our employees and their development

#### **1.4 Purpose of the Plan [24 CFR 982.54]**

The purpose of this Administrative Plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives. This Administrative Plan defines SLHA's policies for operation of the HCV programs in the context of federal laws and regulations. SLHA will comply with all changes in HUD regulations pertaining to the HCV program. If such changes conflict with this Plan, HUD regulations will have precedence. The Board of Commissioners must approve the original Plan and any changes. Pertinent sections of this Plan are included in the SLHA Agency Plan.

Local rules that are part of this Plan promote local housing objectives consistent with the intent of the federal housing legislation.

#### **1.5 Contents of the Plan**

HUD regulations require SLHA to have the following policies in its Administrative Plan.:

- Selection and admission of applicants from the waiting list, including any admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the waiting list (Chapter 6)
- Issuing or denying vouchers, including policy governing the voucher term and any extensions or suspensions of the voucher term (Chapters 10 and 17)
- Any special rules for use of available funds when HUD provides funding for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families (Chapter 32)
- Occupancy policies, including definition of what group of persons may qualify as a family, definition of when a family is considered to be continuously assisted; standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with 982.553 (Chapters 8, 10, and 29)
- Encouraging participation by owners of suitable units located outside areas of low income or minority concentration (Chapter 2)
- Assisting a family that claims illegal discrimination has prevented the leasing of a suitable unit (Chapter 2)
- Providing information about a family to prospective owners (Chapter 19)
- Disapproval of owners (Chapter 19)
- Subsidy standards (Chapter 16)
- Family absence from the dwelling unit (Chapter 29)
- How to determine who remains in the program if a family breaks up (Chapter 8)
- Informal review procedures for applicants (Chapter 11)
- Informal hearing procedures for participants (Chapter 30)
- The process for establishing and revising voucher payment standards (Chapter 4)
- The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) (Chapter 21)
- Special policies concerning special housing types in the program (e.g., use of shared housing) (Chapter 32)
- Policies concerning debts owed by a family to SLHA (Chapter 28)
- Interim redeterminations of family income and composition (Chapter 24)
- Restrictions, if any, on the number of moves by a participant family (Chapter 25)

- Approval by the Board of Commissioners or other authorized officials to charge the administrative fee reserve (Chapter 4)
- Procedural guidelines and performance standards for conducting required housing quality standards inspections (Chapter 20)
- SLHA screening of applicants for family behavior or suitability for tenancy (Chapter 9)

## **1.6 Organization of the Plan**

This Plan is organized in topic specific chapters so that, SLHA staff, HCV participants and HCV Owners can find the information they need quickly. The body of the Plan contains two types of lists. Some lists are formatted with indentions or various types of bullets. Lists designated with indentation or bullet formats are for informational purposes and are arranged in no particular order. Other lists are formatted using the numbering system used throughout the Plan. The actions in lists that are numbered shall be performed in the order presented in the list. Where the Plan uses the words “shall”, “must” or “will”, the action is mandatory. Where the Plan uses the words “may” or “should”, the action is discretionary.

## **1.7 Roles and Responsibilities of Key Housing Choice Voucher Program Players**

The key players in the HCV program are SLHA, HUD, the owner and the family. Contractual relationships between the key players are the mechanism used to administer the HCV program. Federal regulations and the legal documents that the parties execute to participate define the roles and responsibilities of HUD, SLHA, the owner and the family.

### **1.7.1 Role of HUD**

HUD has four major responsibilities:

- Developing policy, regulations, handbooks, notices and guidance to implement housing legislation
- Allocating housing assistance funds
- Providing technical assistance and training
- Monitoring SLHA’s compliance with program and performance requirements

### **1.7.2 Role of SLHA**

SLHA administers the HCV program under the Annual Contributions Contract with HUD and has the following areas of responsibility:

- Establishing local policies
- Determining family eligibility and reexamining of family income
- Maintaining the waiting list and selecting families for admission
- Calculating family’s share of the rent and the amount of the housing assistance payment
- Establishing utility allowances
- Conducting outreach to owners, particularly owners with units outside of areas of poverty or minority concentration
- Assisting persons with disabilities in finding satisfactory housing
- Approving units, including assuring compliance with housing quality standards (HQS) and determining the reasonableness of rent
- Making housing assistance payments to owners

- Conducting informal reviews and hearings at the request of applicants and participants challenging PHA administrative decisions
- Administering the FSS program
- Complying with all applicable regulations, federal, state and local laws

### **1.7.3 Role of the Owner**

The Housing Assistance Payment (HAP) contract defines the Owner's obligations for program participation with SLHA. The lease defines the Owner's responsibilities to the Family. The major responsibilities of the Owner are as follows:

- Screening tenants, selecting tenants, and entering into leases with tenants
- Complying with the HAP contract, lease, and tenancy addendum
- Carrying out normal owner functions during the lease term, such as enforcing the lease, performing maintenance, collecting the family's share of rent from the family, and charging families for any damage to the unit
- Maintaining unit compliance with HQS
- Complying with fair housing and equal opportunity requirements
- Paying for utilities, maintenance, and services (unless paid for by the family under the lease)

### **1.7.4 Role of the Family**

The voucher (form HUD-52646) and the lease state the family's obligations. Responsibilities of the family include:

- Supplying true and complete required information including:
  - Any information that SLHA or HUD determines necessary in the administration of the program, including evidence of citizenship or eligible immigration status
  - Information as requested for regular or interim reexaminations of family income
  - Social Security numbers and signed consent forms for obtaining and verifying information
- Fixing any breach of HQS caused by the family
- Allowing SLHA to inspect the unit at reasonable times and after reasonable notice
- Not committing any serious or repeated violation of the lease
- Not engaging in drug-related criminal activity or violent criminal activity
- Notifying SLHA and the Owner before moving or terminating the lease with the owner
- Promptly giving SLHA a copy of an eviction notice from the owner
- Using the assisted unit only as a residence and as the only residence of the family
  - Members of the household may engage in legal profit-making activities within the unit, but only if those activities are incidental to the primary use of the unit as a residence
  - Members of the family may not receive another housing subsidy in the same unit or a different unit
- Promptly informing SLHA of any change in household composition and obtaining SLHA approval to add a family member by any means other than birth, adoption, or court-awarded custody of a child

- Notifying SLHA of any absence from the unit and complying with SLHA policies governing absence from the unit
- Not subletting the unit, assigning the lease, or having any interest in the unit
- Not committing fraud, bribery, or any other corrupt or criminal act in connection with any assisted housing programs

## **Chapter 2 Fair Housing and Equal Opportunity**

### **2.1 Nondiscrimination**

#### **2.1.1 Overview**

SLHA shall not discriminate because of race, color, sex, religion, familial status, age, sexual orientation, disability or national origin. SLHA shall comply fully with all federal, state and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- Violence Against Women Act (VAWA)
- St. Louis City Ordinance 67119

#### **2.1.2 Providing Information to Families and Owners [24 CFR 982.301]**

SLHA will take steps to ensure that families and owners are aware of applicable equal opportunity laws. As part of the family oral briefing process, SLHA will review information with HCV applicant families about equal opportunity requirements and the opportunity to rent in a broad range of neighborhoods. All applicable Fair Housing information and discrimination complaint forms are part of the voucher holder's briefing packet and available upon request.

The owners briefing shall include information regarding Fair Housing requirements. In addition, the Housing Assistance Payments (HAP) contract, which all owners must sign to participate in the program, contains provisions that prohibit the owner from discriminating against any person because of race, color, religion, sex, national origin, age, familial status, sexual orientation, gender identity or disability.

#### **2.1.3 Discrimination Complaints [24 CFR 982.304]**

If an applicant or participant advises SLHA that they believe that any family member has been discriminated against, SLHA will provide a copy of a discrimination complaint form to the complainant and provide the family with information on how to complete the form and file it with HUD.

### **2.2 Reasonable Accommodations**

#### **2.2.1 Overview**

SLHA shall ensure that persons with disabilities have full access to programs and services by making reasonable accommodations in rules, policies, practices, or services when such accommodations may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program. Such accommodations will begin with the first inquiry of an interested family and continues through every programmatic area of the HCV program.



### **2.2.2 Definition of Reasonable Accommodations**

Reasonable accommodations mean changes, exceptions or adjustments to a rule, policy, practice or service to ensure access to services and programs. Accommodations are reasonable if they do not create an undue financial and administrative burden for, or result in a fundamental alteration in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of the operation.

### **2.2.3 Types of Reasonable Accommodations**

Modifications of normal procedures may be required to accommodate the needs of a person with disabilities, which may include:

- Permit applications and reexaminations to be completed by mail
- Conduct home visits
- Use of a higher payment standard (either within the acceptable range or with HUD approval of a payment standard outside SLHA's range) if determined necessary to enable a person with disabilities to obtain a suitable housing unit
- Provide time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit
- Permit an authorized designee or advocate to participate in the application or certification process and any other meetings with SLHA staff
- Approve the leasing of a unit from a relative

### **2.2.4 Request for an Accommodation**

If an applicant or participant indicates that they need an exception, change, or adjustment to a rule, policy, practice, or service because of a disability, SLHA shall treat the information as a request for a reasonable accommodation. SLHA will encourage the family to make its request in writing. However, SLHA will consider the accommodation anytime the family indicates that it needs an accommodation, whether or not the family submits a formal written request.

In the request, the family must explain the type of accommodation it needs to provide the person with the disability full access to SLHA's programs and services. If the need for the accommodation is not readily apparent or known to SLHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable relationship, or nexus, between the requested accommodation and the individual's disability.

### **2.2.5 Verification of Disability**

The definition of a person with a disability for obtaining a reasonable accommodation is much broader than the definition of disability for waiting list preferences and income allowances. Before providing an accommodation, SLHA must determine that the person meets the definition of a person with a disability for reasonable accommodations, and that the accommodation will enhance the family's access to SLHA's programs and services.

If a person's disability is obvious, or otherwise known to SLHA, and if the need for the requested accommodation is readily apparent or known, no further verification is required. If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to SLHA, SLHA must verify that the person meets the definition of a person with a disability for reasonable accommodations, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, SLHA shall follow the general verification requirements in Chapter 7. All information related to a person's disability is confidential and shall comply with confidentiality requirements outlined in Chapter 4. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability for reasonable accommodations:

- To verify that an applicant or participant is a person with a disability, SLHA will first check to see whether the applicant or participant is under age 62 and receives either Social Security Disability Income (SSDI) or Supplemental Security Income (SSI) income. Receipt of such disability income is sufficient verification that an individual qualifies as a person with a disability for reasonable accommodations
  - However, individuals with disabilities who do not receive SSI or SSDI may still qualify as a person with a disability
  - In these cases, the individual with a disability may need to provide supporting documentation
- SLHA must obtain third party verification from an individual identified by the family who is competent to make the determination
  - A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability
- SLHA must request only information that is necessary to evaluate the disability related need for the accommodation
  - SLHA will not inquire about the nature or extent of any disability
- Medical records will not be accepted or retained in the applicant's or participant's file
- In the event that SLHA does receive confidential information about a person's specific diagnosis, treatment or the nature or severity of the disability, SLHA will dispose of it
  - In place of the information, SLHA will note verification of the disability and other requested information, the date the verification was received, and the name and address of the knowledgeable professional who sent the information in the file

#### **2.2.6 Approval/Denial of a Request for Reasonable Accommodations**

SLHA shall approve a request for a reasonable accommodation if the following three conditions are met:

- The request is made by or on behalf of a person with a disability
- There is a disability-related need for the accommodation
- The requested accommodation is reasonable if it would not impose an undue financial and administrative burden on SLHA, or fundamentally alter the nature of SLHA's HCV operations (including the obligation to comply with HUD requirements and regulations)

Before making a determination whether to approve the request, SLHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that SLHA may verify the need for the requested accommodation. SLHA will respond to a request for an accommodation within 10 business days.

If SLHA denies a request for an accommodation because it is not reasonable, SLHA will discuss with the family whether an alternative accommodation could effectively address the family's disability related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

If the family is unable to identify a reasonable alternative accommodation after discussion and negotiation, SLHA will notify the family of its determination within 10 business days from the date of the most recent discussion or communication with the family.

## **2.3 Accessibility for Persons with Hearing or Vision Impairments [24 CFR 8.6]**

SLHA will ensure that persons with disabilities related to hearing and vision have reasonable access to SLHA's programs and services. At the initial point of contact with each applicant, SLHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

To meet the needs of persons with hearing impairments, TTD/TTY (text telephone display/teletype) communication is available. To meet the needs of persons with vision impairments, SLHA will orally explain the materials and will provide one-on-one assistance in meetings upon request.

SLHA will use the interpretative services of local agencies upon request and will encourage the use of a third party representative (a friend, relative or advocate, named by the family) to receive, interpret and explain housing materials and be present at all meetings.

## **2.4 Access to Services for Persons With Limited English Proficiency (LEP)**

### **2.4.1 Overview**

Language for Limited English Proficiency (LEP) persons can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. SLHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons are referred to as persons with Limited English Proficiency (LEP). The definition of LEP is persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this Administrative Plan, LEP persons are HCV applicants, participants, and parents and family members of HCV applicants and participants.

### **2.4.2 Oral Interpretation**

SLHA offers competent interpretation services, free of charge, to LEP persons upon request. If the LEP person desires, they may use at their own expense, an interpreter of their own choosing in place of or as a supplement to the free language services offered by SLHA. The interpreter may be a family member or friend.

### **2.4.3 Written Translation**

SLHA will provide written translations in the following circumstances:

- When the language group constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally
- When there are fewer than 50 persons in a language group that reaches the 5 percent trigger, SLHA will provide written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost

## **2.5 Outreach Efforts for Owners and Families**

### **2.5.1 Family Outreach**

To ensure eligible families have equal access to SLHA programs and services, SLHA will publicize and disseminate information to make known the availability of housing assistance and related services for very low-income families on a regular basis. SLHA will publicize the availability and nature of housing assistance for very low-income families in a newspaper of general circulation, minority media, and by other suitable means.

To provide greater housing choice and better housing opportunities to families, SLHA will encourage program participants to seek units located outside areas of poverty or minority concentration. SLHA will provide access to a web-based unit availability listing that compiles units by zip code and bedroom size. SLHA will inform voucher holders of a broad range of areas where they may lease units and inform families of how they can use the service to identify owners willing to lease units outside areas of poverty or minority concentration

### **2.5.2 Owner Outreach**

SLHA will encourage owners of decent, safe and sanitary housing units to lease to HCV participants families through advertisements in local newspapers, neighborhood associations, apartment and housing service agencies, disability organizations and owner meetings. SLHA will make presentations to the community, civic organizations and churches to recruit owners for the program. SLHA will also offer printed materials to acquaint owners and managers with the opportunities available under the program.

SLHA will encourage program participation by owners of units located outside areas of poverty or minority concentration. SLHA will provide a free web-based unit listing to help participants identify such units. The service allows landlords to list their units by zip code and bedroom size. SLHA will solicit owners in non-poverty areas through community newspapers, neighborhood associations and apartment/housing service agencies specifically targeted in the non-poverty areas. SLHA will maintain its non-portability agreement with the St. Louis County Housing Authority, in whose jurisdictions are several non-poverty areas. SLHA will periodically evaluate the demographic distribution of assisted families to identify areas within the jurisdiction where owner outreach should be targeted.

## **2.6 Affirmatively Further Fair Housing in the HCV Family Self-Sufficiency (FSS) Program**

SLHA will take reasonable steps to affirmatively further Fair Housing in the HCV Family Self-Sufficiency (FSS) Program and will maintain records of those steps and their impacts.

### **2.6.1 Reasonable Steps**

- Advertise in the community for any future coordinator positions, if offered
- Market the program to all eligible persons, including persons with disabilities and LEP persons
- Make buildings and communications that facilitate applications and service delivery accessible to persons with disabilities
- Provide fair housing counseling services or referrals to fair housing agencies

- Inform participants of how to file a fair housing complaint and provide participants the toll-free number of the Housing Discrimination Hotline (1-800-669-9777)
- Under the goal of homeownership, recruit owners and service providers in areas that expand housing choice to program participants
- Maintain data records on program participants that include race, ethnicity, familial status, and disability status

#### **2.6.2 Maintenance of Records**

SLHA will maintain records of implementation of the steps to affirmatively further Fair Housing in the HCV FSS program as follows:

- Agency database
- Centralized database
- Individual case records
- Human Resources Department database and manual file system
- 504 review information maintained in SLHA's Redevelopment Department manual file system
- Information packets for eligibility briefing

## **Chapter 3 Program Integrity**

### **3.1 Preventing Errors and Program Abuse**

SLHA commits to maintaining the integrity of its HCV program. To ensure that SLHA's HCV program is administered effectively and according to the highest ethical and legal standards, SLHA will use the Enterprise Income Verification (EIV) system. SLHA anticipates that the vast majority of families, owners, and SLHA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors. However, SLHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare. The techniques are as follows:

- Provide applicants and participants with form HUD-52675, "Debts Owed to PHAs and Terminations"
- Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file
- Discuss program compliance and integrity issues during the voucher briefing sessions described in Chapter 17
- Provide each applicant and participant with a copy of "Is Fraud Worth It?" (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse
- Provide each applicant and participant with a copy of "What You Should Know about EIV", a guide to the Enterprise Income Verification (EIV) system published by HUD
  - In addition, SLHA will require the head of each household to acknowledge receipt of the guide by signing a copy for retention in the family file
- Place a warning statement about the penalties for fraud (as described in 18 U.S.C. 1001 and 1010) on key SLHA forms and form letters that request information from a family or owner
- SLHA staff will review and explain the contents of all HUD and SLHA required forms prior to requesting family member signatures
- Encourage first-time owners (or their agents) to participate in a briefing session on HAP contract requirements
- Provide each SLHA employee with the necessary training on program rules and the organization's standards of conduct and ethics

### **3.2 Detecting Errors and Program Abuse**

In addition to taking steps to prevent errors and program abuse, SLHA will use a variety of activities to detect errors and program abuse.

#### **3.2.1 Quality Control Reviews**

Under the Section 8 Management Assessment Program (SEMAP), SLHA will review a random sample of client records annually to determine if the records conform to program requirements. SLHA may also conduct periodic quality control reviews to ensure program compliance. SLHA will conduct quality control inspections of a sample of units to ensure HQS compliance.

#### **3.2.2 Analysis of Data**

SLHA will use data gathered in administration of the program to assist in the detection of errors and program abuse. Data analysis will include the following:

- Use of available sources of up-front income verification, including HUD's EIV system, to compare with family-provided information

- Comparison of current information provided by the family to information provided at the last annual reexamination to identify inconsistencies and incomplete information
- Comparison of family-reported income and expenditures to detect possible unreported income

### **3.2.3 Individual Reporting of Possible Errors and Program Abuse**

SLHA will encourage program participants, and the public, to report possible program abuse. In addition, SLHA will require staff to report fraud and abuse.

## **3.3 Investigating Errors and Program Abuse**

### **3.3.1 Conducting Investigations**

SLHA will review all referrals, specific allegations, complaints and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for SLHA to investigate, the allegation must contain at least one independently verifiable item of information, such as the name of an employer or unauthorized household member. SLHA may investigate possible instances of error or abuse using available SLHA and public records. If necessary, SLHA will require HCV families to give consent to release additional information.

### **3.3.2 Analysis and Findings**

For each investigation, SLHA will determine whether an error or program abuse has occurred, the amount of money owed to SLHA, and what corrective measures or penalties will be assessed. SLHA will base its determination in each investigation on a preponderance of the evidence collected during the investigation.

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 that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence is not determined by the number of witnesses, but by the greater weight of all evidence.

## **3.4 Corrective Actions for Program Error and Abuse**

### **3.4.1 General Considerations**

SLHA shall correct all errors and instances of program abuse once the determination of the error or abuse is complete. The enforcement of other corrective actions and penalties depends upon the nature of the error or program abuse.

In the case of family-caused errors or program abuse, SLHA will take into consideration the following, when determining additional corrective action:

- The seriousness of the offense
- The extent of participation or culpability of individual family members
- Any special circumstances surrounding the case
- Any mitigating circumstances related to the disability of a family member
- The effects of a particular remedy on family members who were not involved in the offense

In the case of owner-caused errors or program abuse, SLHA will take into consideration the following when determining additional corrective action:

- The seriousness of the offense
- The length of time since the violation has occurred
- The effects of a particular remedy on family

### **3.4.2 Family-Caused Errors and Program Abuse**

An incorrect subsidy determination caused by a family generally is the result of incorrect reporting of family composition, income, assets, or expenses, but also includes instances in which the family knowingly allows SLHA to use incorrect information provided by a third party.

#### **3.4.2.1 Prohibited Actions**

An applicant or participant in the HCV program must not knowingly:

- Make a false statement to SLHA [Title 18 U.S.C. Section 1001]
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.552(c)(iv)]
- Make payments to the owner in excess of amounts authorized by SLHA for rent, security deposit, and additional services
- Offer bribes or illegal gratuities to SLHA Board of Commissioners, employees, contractors, or other SLHA representatives
- Offer payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to SLHA on the family's behalf
- Use a false name or the use of falsified, forged or altered documents.
- Intentionally misreport family information or circumstances (e.g. income, family composition)

#### **3.4.2.2 Penalties for Program Abuse**

In the case of program abuse caused by a family, SLHA may impose any of the following remedies:

- Require the family to repay excess subsidy amounts paid by SLHA
- Require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit
- Deny or terminate the family's assistance
- Refer the family for state or federal criminal prosecution

#### **3.4.2.3 Family Reimbursement to SLHA**

In the case of family-caused errors or program abuse, where SLHA requires the family to repay any excess subsidy received, SLHA may offer the family a repayment agreement in accordance with Chapter 28. If the family fails to repay the excess subsidy, SLHA will terminate the family's assistance in accordance with the policies in Chapter 29.

#### **3.4.2.4 SLHA Reimbursement to Family**

SLHA will not reimburse the family for any underpayment of assistance when the family clearly causes the underpayment.



### **3.4.3 Owner-Caused Error or Program Abuse**

An incorrect subsidy determination caused by an owner generally is the result of an incorrect owner statement about the characteristics of the assisted unit (e.g., the number of bedrooms, which utilities are paid by the family). Owner program abuse also includes accepting duplicate housing assistance payments for the same unit in the same month or accepting payments after a family no longer resides in the unit.

#### **3.4.3.1 Prohibited Owner Actions**

An owner participating in the HCV program must not:

- Make any false statement to SLHA [Title 18 U.S.C. Section 1001]
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.453(a)(3)]
- Charge the family rent above or below the amount specified by SLHA
- Charge a security deposit other than that specified in the family's lease
- Charge the family for services that are provided to unassisted tenants at no extra charge
- Knowingly accept housing assistance payments for any month(s) after the family has vacated the unit
- Knowingly accept incorrect or excess housing assistance payments
- Offer bribes or illegal gratuities to SLHA Board of Commissioners, employees, contractors, or other SLHA representatives
- Offer payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to SLHA
- Reside in the unit with an assisted family

#### **3.4.3.2 Remedies and Penalties**

When SLHA determines that the owner has committed program abuse, SLHA may take any of the following actions:

- Require the owner to repay excess housing assistance payments
- Terminate the HAP contract
- Bar the owner from future participation in any SLHA programs
- Refer the case to state or federal officials for criminal prosecution

#### **3.4.3.3 Owner Reimbursement to SLHA**

In cases of overpayment of subsidy caused by the owner, SLHA may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, SLHA may allow the owner to pay in installments over time.

#### **3.4.3.4 SLHA Reimbursement to Family**

SLHA will reimburse a family for any underpayment of subsidy that is the result of owner program abuse.

### **3.4.4 SLHA Caused Errors or Program Abuse**

An incorrect subsidy determination caused by SLHA generally is the result of an error in correctly recording or processing information from the family or owner, or an omission in acquiring all the necessary information from the family or owner. Program abuse occurs when a staff member willfully intends to deceive or mislead.

#### **3.4.4.1 Prohibited Activities**

The following activities constitute program abuse by SLHA staff:

- Failure to comply with any HCV program requirements for personal gain
- Failure to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant, or owner
- Seek or accept anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to SLHA
- Disclose confidential or proprietary information to outside parties
- Gain profit as a result of insider knowledge of SLHA activities, policies, or practices
- Misappropriate or misuse HCV funds
- Destroy, conceal, remove, or inappropriately use any records related to the HCV program
- Commit any other corrupt or criminal act in connection with any federal housing program

#### **3.4.4.2 Remedies and Penalties**

When SLHA determines that a staff member has committed program abuse, SLHA will take appropriate disciplinary actions, including termination as outlined in SLHA Personnel Policy.

#### **3.4.4.3 SLHA Reimbursement to a Family or Owner**

SLHA will reimburse a family or an Owner for any underpayment of subsidy that is the result of staff error or staff program abuse.

#### **3.4.5 Timing of Subsidy Under or Overpayments**

Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, SLHA must promptly correct the HAP, family share, and any utility reimbursement. Increases in the family's share will be implemented only after the family has received 30 days notice. Any decreases in the family's share will become effective the first of the month following the discovery of the error.

#### **3.4.6 Criminal Prosecution**

When SLHA determines that program abuse by an owner, family, or SLHA staff member has occurred, SLHA may refer the matter to the appropriate entity for prosecution. When the amount of overpaid assistance meets or exceeds \$10,000, the case will be referred to the HUD Office of Inspector General (OIG).

## **Chapter 4 General Program Administration**

### **4.1 Jurisdiction**

The area of operation of the St. Louis Housing Authority is geographically defined as the City of St. Louis and St. Louis County.

### **4.2 Administrative Fee Reserve [24 CFR 982.155]**

SLHA will maintain an administrative fee reserve for the program to pay program administrative expenses in excess of administrative fees paid by HUD for a SLHA fiscal year. If funds in the administrative fee reserve are not needed to cover SLHA administrative expenses, SLHA may use these funds for other eligible housing purposes. SLHA shall obtain Board of Commissioners approval to access the administrative fee reserve for awards and contracts exceeding \$200,000.

### **4.3 Payment Standards [24 CFR 982.503]**

#### **4.3.1 Overview**

The payment standard sets the maximum subsidy payment a family can receive from SLHA each month. Payment standards are based on fair market rents (FMR) published annually by HUD. SLHA will establish a payment standard schedule that establishes payment standard amounts for each unit size. Unless HUD grants an exception, SLHA will establish a payment standard between 90 and 110 percent of the published FMR for each unit size.

#### **4.3.2 Updating Payment Standards**

SLHA will review the payment standards annually when HUD publishes new FMRs. To ensure maximum housing choice, SLHA will adopt a payment standard of 110 percent of the FMR, unless there is insufficient funding available. If sufficient funding is not available, SLHA will adopt a payment standard at 90 - 100 percent of the FMR.

#### **4.3.3 Exception Payment Standards for Reasonable Accommodation**

A family that requires a reasonable accommodation may request a higher payment standard at the time the Request for Tenancy Approval (RFTA) is submitted. The family must document the need for the exception. SLHA must obtain HUD approval of an exception payment standard that exceeds 110 percent. In order to approve an exception, or request an exception from HUD, SLHA must determine that:

- There is a shortage of affordable units that would be appropriate for the family
- The family's TTP would otherwise exceed 40 percent of adjusted monthly income
- The rent for the unit is reasonable

### **4.4 Utility Allowances [24 CFR 982.517]**

#### **4.4.1 Overview**

SLHA will maintain utility allowance schedules for all tenant-paid utilities, the cost of tenant-supplied refrigerators and ranges, and other tenant-paid housing services, such as trash collection. SLHA shall base the utility allowance schedules on the typical cost of utilities and services paid by energy conservative households that occupy housing of similar size and type. In developing the schedules, SLHA will use normal patterns of consumption for the community as a whole, and current utility rates. Costs for telephone, cable/satellite television, and internet services are not included in the utility allowance schedule.

In the utility allowance schedules, SLHA will classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection; other electric; cost of tenant-supplied refrigerator; cost of tenant-supplied range; and other specified housing services.

#### **4.4.2 Utility Allowance Revisions**

SLHA will review its schedule of utility allowances annually and will revise the schedule if there has been a change of 10 percent or more in any utility rate since the last utility allowance schedule revision. SLHA will maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.

### **4.5 Section 8 Management Assessment Program (SEMAP)**

#### **4.5.1 Overview**

The Section 8 Management Assessment Program (SEMAP) is a tool HUD uses to measure SLHA's performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating of high performer, standard performer or troubled agency.

#### **4.5.2 SEMAP Certification [24 CFR 985.101]**

SLHA must submit the SEMAP certification form to HUD within 60 calendar days after the end of its fiscal year. The SLHA Board of Commissioners must approve the certification and the certification must be verified by the SLHA executive director prior to submission. Upon receipt of the SLHA's SEMAP certification, HUD will rate SLHA's performance under each SEMAP indicator in accordance with program requirements.

#### **4.5.3 SEMAP Indicators [24 CFR 985.3 and form HUD-52648]**

The SEMAP indicators are:

- Selection from the Waiting List
- Reasonable Rent
- Determination of Adjusted Income
- Utility Allowance Schedule
- HQS Quality Control Inspections
- HQS Enforcement
- Expanding Housing Opportunities
- FMR/Exception Rent & Payment Standards
- Annual Re-examinations
- Correct Tenant Rent Calculations
- Pre-Contract HQS Inspections
- Annual HQS Inspections
- Lease-up
- Family Self-Sufficiency Enrollment and Escrow Account Balances
- Bonus Indicator Deconcentration

## **4.6 Record Keeping**

### **4.6.1 Overview**

SLHA will maintain complete and accurate program accounts and records in accordance with HUD requirements. SLHA will maintain the records in either a physical or an electronic format in a manner that permits a speedy and effective audit. All such records are available to HUD and the Comptroller General of the United States upon request. In addition, SLHA shall ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

### **4.6.2 Record Retention [24 CFR 982.158]**

During the term of each assisted lease, and for at least three years thereafter, SLHA shall maintain the following records:

- A copy of the executed lease
- The HAP contract
- The application from the family
- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants
- An application from each ineligible family and notice that the applicant is not eligible
- HUD-required reports
- Unit inspection reports
- Lead-based paint records as required by 24 CFR 35, Subpart B
- Accounts and other records supporting SLHA budget and financial statements for the program
- Records to document the basis for SLHA determination that the rent to an owner is a reasonable rent (initially and during the term of a HAP contract)
- Other records specified by HUD

Longer retention requirements apply for some types of documents as described in Chapter 11.

### **4.6.3 Records Management**

SLHA will keep all applicant and participant information in a secure location and limit access to authorized SLHA staff. SLHA staff will not discuss personal family information unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

#### **4.6.3.1 Consent Forms**

SLHA requires all adult family members, both applicants and participants, to sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and to provide the family's consent for release of information for the specific purposes listed on the form. Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. SLHA will deny admission to applicants and terminate assistance of participants for failure of any adult family member to sign required consent forms. The family may request an informal review (applicants) or informal hearing (participants) as described in Chapters 11 and 30.

#### **4.6.3.2 Additional Records Requirements**

##### **4.6.3.2.1 Privacy Act Requirements [24 CFR 5.212]**

The collection, maintenance, use and dissemination of social security numbers (SSN), employer identification numbers (EIN), any information derived from these numbers, and income information of applicants and participants must be conducted, to the extent applicable, in compliance with the Privacy Act of 1974 and all other provisions of federal, state and local law.

##### **4.6.3.2.2 Upfront Income Verification (UIV) Records**

SLHA will access and store UIV records in accordance with approved SLHA EIV security procedures.

##### **4.6.3.2.3 Criminal Records**

SLHA may only disclose the criminal conviction records to officers or SLHA employees who have a job-related need to have access to the information. SLHA will ensure that any criminal records, including non-public information regarding registered sex offenders, received by SLHA from a law enforcement agency are maintained confidentially, not misused or improperly disseminated. SLHA will destroy criminal records once the purpose for which the record was requested has been accomplished and the period for filing a challenge to SLHA action has ended.

##### **4.6.3.2.4 Medical/Disability Records**

SLHA will not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If SLHA receives a verification document that provides such information, SLHA shall not place this information in the family's file unless SLHA redacts the information from the document. Otherwise, SLHA shall destroy all documents containing such information.

### **4.7 Determination of Insufficient Funding**

#### **4.7.1 Overview**

SLHA may deny families permission to move or terminate Housing Assistance Payments (HAP) contracts if funding under the consolidated ACC is insufficient to support continued assistance [24 CFR 982.314(e)(1) and 982.454]. Insufficient funding may also impact SLHA's ability to issue vouchers to families on the waiting list.

#### **4.7.2 Methodology**

SLHA will determine whether there is adequate funding to issue vouchers, approve moves to higher cost units and areas, and continue subsidizing all current participants by comparing SLHA's annual budget authority to the annual total HAP funding needs on a monthly basis. The total HAP funding needs for the calendar year will be projected by establishing the actual HAP costs year to date. SLHA 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 SLHA cannot support the cost of the proposed subsidy commitment (voucher issuance or move) based on the funding analysis, SLHA will be considered to have insufficient funding.

## **4.8 Violence Against Women Act (VAWA): Notification, Documentation, Confidentiality**

### **4.8.1 Overview**

The Violence Against Women Act (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault, and stalking who are applying for or receiving assistance under the HCV program. Specific VAWA policies are located primarily in the following sections: Section 8.3.3, “Family Breakup”; Section 10.9, “Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, Sexual assault and Stalking”; Section 25.2, “Allowable Moves”; and Section 29.7.4, “Terminations Related to Domestic Violence, Dating violence, Sexual Assault or Stalking.”

### **4.8.2 Notification [24 CFR 5.2005]**

#### ***4.8.2.1 Notification to Program Applicants and Participants [24 CFR 5.2005(a)(1)]***

SLHA will provide all applicants and participants with information about VAWA at the time of their eligibility briefing. VAWA information provided to applicants and participants will consist of a notice summarizing the rights and protections provided by VAWA and a copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, and Stalking.

#### ***4.8.2.2 Notification to Owners and Management Agents [24 CFR 5.2005(a)(2)]***

SLHA will provide owners and management agents with information about their rights and obligations under VAWA with each owner/agent packet. VAWA information provided to owners will consist of the notice summarizing the rights and protections provided by VAWA and a copy of form HUD-50066, Certification of Domestic Violence, Dating violence, Sexual Assault, and Stalking.

### **4.8.3 Documentation [24 CFR 5.2007]**

#### ***4.8.3.1 Overview***

When SLHA is presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, stalking, or criminal activity related to any of these forms of abuse, it may request that the individual making the claim document the abuse. Any request for documentation will be in writing and the individual will be allowed at least 14 business days after receipt of the request to submit the documentation. The individual may satisfy SLHA’s request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

- A completed and signed HUD-approved certification form (HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking), which must include the name of the perpetrator
- A federal, state or local police report or court record

- 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; 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

SLHA will not require third party documentation in addition to certification (form 1), except as specified in Section 4.8.3.2. All requests for documentation of VAWA issues specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline. SLHA may extend the deadline upon request.

**4.8.3.2 *Conflicting Documentation* [24 CFR 5.2007(e)]**

If presented with conflicting certification documents (two or more forms HUD-50066) from members of the same household, SLHA will attempt to determine which is the true victim by requiring each of them to provide third party documentation. SLHA will honor any court orders issued to protect the victim or to address the distribution of property.

**4.8.3.3 *Discretion to Require No Formal Documentation* [24 CFR 5.2007(d)]**

SLHA may provide benefits to an individual based solely on the individual's statement or other corroborating evidence without requiring formal documentation of abuse. If SLHA accepts an individual's statement or other corroborating evidence SLHA will document acceptance of the statement or evidence in the individual's file.

**4.8.3.4 *Failure to Provide Documentation* [24 CFR 5.2007(c)]**

In order to deny relief for protection under VAWA, SLHA 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 SLHA may allow, SLHA may deny relief for protection under VAWA.

**4.8.4 *Confidentiality* [24 CFR 5.2007(b)(4)]**

All information provided to SLHA 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. SLHA will not enter the information into any shared database, will not 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 will not provide the information to any other entity or individual, except to the extent that the disclosure is requested or consented to by the individual in writing, required for use in an eviction proceeding, or otherwise required by applicable law. If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, SLHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.



## **Chapter 5 Applying for Admission**

[24 CFR 982.204]

### **5.1 Introduction**

SLHA will ensure that all families who express an interest in housing assistance are given an equal opportunity to apply, and are treated in a fair and consistent manner. This Chapter describes the policies for completing the initial application for assistance. The primary purpose of the application process is to gather information about the family, but SLHA will also use this process to provide information to the family so that an accurate and timely decision of eligibility can be made.

### **5.2 Opening and Closing the Waiting List [24 CFR 982.206, 982.54(d)(1)]**

#### **5.2.1 Opening the Waiting List**

SLHA will periodically analyze the contents of the waiting list for the HCV programs. When SLHA determines that the list does not contain a sufficient number of families to maintain full program utilization, SLHA will open the waiting list. SLHA will advertise the opening of the waiting list through public notice in newspapers of general circulation and minority publications. SLHA may send notices to organizations that serve families that are likely to be eligible for assistance. The notice shall comply with fair housing requirements and will contain the dates, times, and the locations where families may apply. The notice will also contain any limitations on who may apply for available slots.

Depending upon the composition of the waiting list and the community's housing needs, SLHA may only accept applications from families claiming one or more preferences. If SLHA makes determination to only accept families claiming one or more preferences, it shall specify preferences accepted in its advertisement to open the waiting list.

If the waiting list is open, SLHA will accept preapplications from eligible families unless there is good cause for not accepting the preapplication, such as denial of assistance because of action or inaction by members of the family for the grounds stated in the Denial of Assistance or Termination of Assistance in Chapters 10 and 29.

#### **5.2.2 Family Outreach**

SLHA will conduct outreach as necessary to ensure that it has a sufficient number of applicants on the waiting list. As SLHA is required to serve a specified percentage of extremely low income families, SLHA may need to conduct special outreach to ensure that an adequate number of such families apply for assistance.

SLHA outreach efforts must comply with fair housing requirements, which includes:

- Analyzing the housing market area and the populations currently being served to identify underserved populations
- Ensuring that outreach efforts are targeted to media outlets that reach eligible populations that are underrepresented in the program
- Avoiding outreach efforts that prefer or exclude people who are members of a protected class

SLHA outreach efforts are designed to inform qualified families about the availability of assistance under the program. These efforts may include, as needed, any of the following activities:

- Submitting press releases to local newspapers, including minority newspapers
- Developing informational materials and flyers to distribute to other agencies
- Providing online access to other public and private agencies that serve the low-income population
- Developing partnerships with other organizations that serve similar populations, including agencies that provide services for persons with disabilities

SLHA will monitor the characteristics of the population being served and the characteristics of the population as a whole in SLHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved.

### **5.2.3 Closing the Waiting List**

The open period shall be long enough to achieve a waiting list adequate to cover projected turnover and new allocations over the next 12 months. SLHA will stop taking applications if there are enough applicants to fill anticipated openings for the next 12 months. SLHA will announce the closing of the waiting list by public notice in newspapers of general circulation. SLHA will give at least five days notice prior to closing the list. When the period for accepting applications is over, SLHA will add the new applicants to the waiting list. If SLHA determines the demand for applications will be high, SLHA may advertise the waiting list closing date in the same notice that announces the waiting list opening date.

## **5.3 Applying For Assistance**

### **5.3.1 Overview**

The HCV application process will involve two phases. The first phase is the initial preapplication for assistance. In the first phase, SLHA requires families to provide information needed to make an initial assessment of the family's eligibility and determine the family's placement on the waiting list. The second phase is the final determination of eligibility. This process takes place when the family is close to the top of the waiting list. When the family is close to the top of the waiting list, SLHA will verify all eligibility factors, including verification of any claimed preference, in order to determine the family's eligibility for the issuance of a voucher.

### **5.3.2 Application Process [24 CFR 982.204(b)]**

Families who wish to apply for HCV assistance must complete a preapplication form when the waiting list is open. SLHA will make preapplications available in an accessible format upon request from a person with a disability.

Initial preapplications will not require an interview. Submission of a complete preapplication establishes the family's date and time of preapplication for placement order on the waiting list. The preapplication requires the provision of the following information:

- Names of adult members and age of all members
- Sex and relationship of all members
- Street address and phone numbers
- Mailing address if different from street address

- Amount(s) and source(s) of income received by household members
- Information related to qualification for preference or special admissions
- Social Security numbers
- Race/Ethnicity
- Citizenship/Eligible immigration status
- Request for Specific Accommodation needed to fully utilize program and services

Completed preapplications must be submitted before the close of the waiting list. The preapplication will be dated, time-stamped, and referred to SLHA's HCV office for processing. SLHA will not accept incomplete preapplications for processing. If a preapplication is incomplete, SLHA will notify the family of the additional information required. Duplicate preapplications, including applications from a segment of an applicant household will not be accepted.

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

#### **5.4 Applicant Status While on Waiting List [24 CFR 982.204]**

Applicants are required to inform SLHA of changes in address in writing. Applicants are also required to respond to requests from SLHA to update information on their application and to determine their interest in assistance. Failure to respond to requests for information in 10 business days may result in the applicant's withdrawal from the waiting list. If the family is determined to be ineligible based on the information provided on the application, SLHA will notify the family in writing (in an accessible format upon request as a reasonable accommodation), state the reason(s), and inform them of their right to an informal review.

#### **5.5 Time of Selection [24 CFR 982.204, 5.410]**

When funding is available, families will be selected from the waiting list in their determined sequence, regardless of family size, subject to income targeting requirements. When there is insufficient funding available for the family at the top of the list, SLHA will not admit any other applicant until funding is available for the first applicant. Based on SLHA's turnover and the availability of funding, groups of families will be selected from the waiting list to form a final eligibility pool. Selection from the pool will be based on completion of verification.

#### **5.6 Special Programs Application**

SLHA administers several special programs that have program specific admissions requirements. The applicants for these programs are admitted through referrals and do not follow the regular application process. The specific requirements of each program are found in the chapter that covers those programs. The programs are as follows:

- Project-Based Vouchers (PBV) (Chapter 31)
- Veterans Affairs Supportive Housing Program (VASH) (Chapter 32)

## **Chapter 6 Waiting List and Applicant Selection**

[24 CFR Part 5, Subpart D; 982.54(d)(1); 982.204, 982.205, 982.206]

### **6.1 Overview**

It is SLHA's objective to ensure that applicants are placed in the proper order on the waiting list and selected from the waiting list for admissions in accordance with the its policies. This chapter explains how SLHA will place applicants on the waiting list and how the waiting list is maintained. In addition, this chapter explains local preferences, defines the eligibility criteria for the preferences and explains SLHA's system of applying the preferences. This chapter also explains how applicants are selected for project-based vouchers and special programs that are funded by HUD for specific target populations.

### **6.2 Placement on the Waiting List**

#### **6.2.1 Overview**

SLHA will review each complete application and make a preliminary assessment of the applicant's eligibility. SLHA will accept applications from applicants for whom the list is open unless there is good cause for not accepting the application. No applicant has a right or entitlement to be listed on the waiting list or to any particular position on the waiting list.

#### **6.2.2 Ineligible for Placement on the Waiting List**

If SLHA can determine from the information provided that an applicant is ineligible, the family will not be placed on the waiting list. When an applicant is determined to be ineligible, SLHA will send written notification of the ineligibility determination as soon as practicable after receiving a complete application. The notice will specify the reasons for ineligibility and will inform the applicant of the right to request an informal review (see Chapter 11).

#### **6.2.3 Eligible for Placement on the Waiting List**

If the information on the application does not indicate that the applicant is ineligible, the applicant will be placed on the waiting list. Applicants will be placed on the waiting list according to any preference(s) for which they qualify and the date and time their complete application is received. Placement on the waiting list does not indicate that the applicant is, in fact, eligible for assistance. A final determination of eligibility will be made when the applicant is selected from the waiting list.

### **6.3 Organization of the Waiting List [24 CFR 982.204 and 205]**

#### **6.3.1 Tenant Based Program Waiting List**

SLHA uses a single waiting list for admissions to the tenant based assistance program. Except for Special Programs, applicants will be selected from the waiting list in accordance with policies and preferences and income targeting requirements defined in this Administrative Plan. SLHA will maintain information that permits proper selection from the waiting list.

The waiting list will contain, at a minimum, the following information for each applicant:

- Applicant Name
- Family Unit Size (number of bedrooms family qualifies for under SLHA subsidy standards)
- Date and time of application
- Qualification for any local preference
- Racial or ethnic designation of the head of household

### **6.3.2 Project-Based Programs List**

SLHA has established and manages separate waiting lists for individual projects that receive Project-Based Voucher (PBV) assistance. SLHA will offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

#### **6.3.2.1 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 SLHA is considered an in-place family. These families are afforded protection from displacement. 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 SLHA's project-based waiting list. Once the family's continued eligibility is determined (SLHA may deny assistance to an in-place family for the grounds specified in Chapter 10), the family will be given an absolute selection preference for the project and SLHA 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 protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

### **6.3.3 Special Programs and Targeted Funding**

When HUD awards program funding that is targeted for families that live in specified units or for a special or targeted HCV program, SLHA may admit a family that is not on the waiting list, or without considering the family's waiting list position. SLHA may issue vouchers to persons not on the waiting list in the following instances:

#### **6.3.3.1 Preservation Housing**

Families that reside in a property covered by PBV assistance in which the owner opts out or pre-pays the HUD insured mortgage or is at or near the end of the housing assistance payment contract may be eligible for Preservation Voucher assistance. SLHA shall certify families eligible for Preservation Voucher housing pursuant to executed Annual Contribution Contracts (ACCs) by HUD for mandated or targeted projects. The exiting families in these properties are selected based on the documentation provided by HUD and are not subject to the waiting list selection process.

#### **6.3.3.2 Veterans Assisted Supportive Housing (VASH)**

VASH eligible families are homeless veterans and are selected for the program through a referral from the VA Medical Center (VAMC). These families are not subject to the waiting list selection process. VAMC conducts all interviews, takes the initial applications and monitors the VASH program. VAMC notifies SLHA in writing of eligible applicants. These eligible applicants are scheduled for an appointment for possible certification under the HCV program. The number of VASH program participants shall be restricted to the number of VASH vouchers under contract to SLHA by HUD.

### **6.3.4 Opportunity for Placement on Other Waiting Lists**

SLHA will offer a family that applies for assistance from the HCV program the opportunity to be placed on the waiting list for any public housing, project-based voucher SLHA operates if the other programs' waiting lists are open, the family is qualified for the other programs, and qualifies for any preferences applicable to such lists.

A family's decision to apply for, receive or refuse other housing assistance does not affect the family's placement on the HCV waiting list or any preferences for which the family may qualify.

#### **6.4 Waiting List Preferences [24 CFR 982.207]**

SLHA has established a preference system for admission to its HCV assistance programs. SLHA uses the following local preference system:

- In-place families in units converted to PBV assistance
- Families who are involuntarily displaced by natural disaster or government action
- Disabled persons or families with a disabled member as defined in this Plan
- Victims of domestic violence
- Families who are homeless in accordance with the definition provided in this Plan
- Non-elderly persons with disabilities transitioning out of an institutional or segregated setting or at serious risk on institutionalization
- At risk of becoming homeless

##### **6.4.1 In-Place Families in Units Converted to PBV Assistance**

An applicant qualifies for this preference if the applicant is an eligible family residing in a proposed PBV contract unit on the date the proposal is selected by SLHA, as stated in Section 6.3.2.1.

##### **6.4.2 Families Who Are Involuntarily Displaced By Natural Disaster or Government Action**

An applicant qualifies for this preference on the basis of involuntary displacement if either of the following apply:

- The applicant has been involuntarily displaced and is not living in standard permanent replacement housing
  - Standard permanent replacement housing is housing that is decent, safe and sanitary and adequate for the family size, and that the family is occupying pursuant to a lease agreement
- The applicant will be involuntarily displaced within no more than six months from the date of preference status certification or verification

An applicant is or will be involuntarily displaced if the applicant has vacated or will have to vacate the unit where the applicant lives because of one or more of the following:

- An applicant's unit is uninhabitable because of a disaster, such as a fire or flood
- Activities carried on by an agency of the United States or by any state or local governmental body or agency in connection with code enforcement, public improvements or development program
- Displacement to avoid reprisal, such as family cooperating with the police
  - SLHA may only grant this if a law enforcement agency carries out a threat assessment and recommends re-housing the family
- Displacement due to hate crimes when applicants have been victims of a hate crime
  - Hate crime is defined as actual or threatened physical violence that is based on victim's race, color, religion, sex, national origin, handicap or familial status

### **6.4.3 Disability Preference [24 CFR 982.207]**

This preference applies to a person or family whose head, spouse, or sole member is a person with disabilities; or two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides. A person who is under a disability, as defined in Section 233 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 (7)). People who are diagnosed with alcoholism or drug abuse are not part of the definition of disabled. SLHA does recognize an applicant or family or spouse of household with HIV as a disabled person (Adopted in Board Resolution).

### **6.4.4 Victims of Domestic Violence**

To qualify for this preference, an applicant must present evidence that the family has been displaced as a result of fleeing violence in the home. Families are also eligible for this preference if there is proof that the family is currently living in a situation where they are being subjected to or victimized by violence in the home. Suitable evidence can be provided from law enforcement officials or social service agencies that have adequate knowledge of the family's living situation.

### **6.4.5 Homeless**

To qualify for this preference, an applicant must present evidence to SLHA that the family is homeless by meeting one of the following definitions:

- An individual or family who lacks a fixed, regular and adequate nighttime residence meaning:
  - An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state or local government programs for low-income individuals)
  - An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution
  - A primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport or camping ground
- Unaccompanied youth under 25 years of age or families with children and youth, who do not otherwise qualify as homeless under this definition, but who-
  - Have experienced a long term period, more than 60 days, without living independently in permanent housing; and
  - Have experienced persistent instability as measured by frequent moves, more than two moves in 60 days, over such period; and
  - Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability or multiple barriers to employment

#### **6.4.6 Non-elderly Persons with Disabilities Transitioning Out of an Institutional or Other Segregated Setting or at Serious Risk of Institutionalization**

To qualify for this preference, an applicant must present evidence to SLHA that a non-elderly family member with disabilities is transitioning out of an institutional or other segregated setting or at serious risk on institutionalization by meeting the following definitions:

- Institutional or other segregated setting include, but are not limited to:
  - congregate settings populated exclusively or primarily with individuals with disabilities;
  - congregate settings characterized by regimentation in daily activities, lack of privacy or autonomy, policies limiting visitors, or limits on individuals' ability to engage freely in community activities and to manage their own activities of daily living; or
  - settings that provide for daytime activities primarily with other individuals with disabilities.
- At serious risk of institutionalization: Includes an individual with a disability who as a result of a public entity's failure to provide community services or its cut to such services will likely cause a decline in health, safety, or welfare that would lead to the individual's eventual placement in an institution. This includes individuals experiencing lack of access to supportive services for independent living, long waiting lists for or lack of access to housing combined with community-based services, individuals currently living under poor housing conditions or homeless with barriers to geographic mobility, and/or currently living alone, but requiring supportive services for independent living. A person cannot be considered at serious risk of institutionalization unless the person has a disability. An individual may be designated as at serious risk of institutionalization either by a health and human services agency, by a community-based organization, or be self-identification.

#### **6.4.7 At Risk of Becoming Homeless**

To qualify for this preference, an applicant must present evidence to SLHA that the family is at risk of becoming homeless by meeting one of the following definitions:

- An individual or family who:
  - Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to emergency shelter or another place described in the "Homeless" definition; and
  - Meets one of the following condition:
    - Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance
    - Is living in the home of another because of economic hardship
    - Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days of the date of application for assistance
    - Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by federal, state or local government programs for low-income individuals



- Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons, or lives in a larger housing unit in which there reside more than 1.5 people per room, as defined by the U.S. Census Bureau
- Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution)
- Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness

## **6.5 Verification of Local Preference [24 CFR 5.415]**

An applicant's entitlement to a local preference will be accepted without verification at the initial application. When the family is selected from the waiting list for the final determination of eligibility, the preference will be verified. Applicants that cannot certify to the preferences will lose their position on the waiting list. If an applicant cannot certify to this information or does not meet the criteria for receiving a preference, SLHA shall provide a written notice of determination which will contain the reason of the determination and the applicant's right to appeal the decision. If, at the time the family applied, the preference claim was the only reason for placement of the family on the list and the family could not verify their eligibility for the preference as of the date of application, the family will be removed from the list. All preferences will be verified in accordance with the verification procedures outlined in Chapter 9.

## **6.6 Preference Denial [24 CFR 5.415]**

If SLHA denies a preference, SLHA will notify the applicant in writing that the preference was denied. Once the preference has been denied, the applicant will be placed on the waiting list without benefit of the preference.

If the applicant falsifies documents or makes false statements in order to qualify for any preference, they will be removed from the waiting list.

## **6.7 Change in Circumstances**

Changes in an applicant's circumstances while on the waiting list may affect the family's entitlement to a preference. Applicants are required to notify SLHA in writing when their circumstances change. When an applicant claims an additional preference, they will be placed on the waiting list in the appropriate order determined by the newly-claimed preference. The exception to this is, if at the time the family applied, the waiting list was only open to families who claimed that preference. In such case, the applicant must verify that they were eligible for the first preference before they are returned to the waiting list with the new preference.

If the family's verified annual income at final eligibility determination does not fall under the extremely low-income limit and the family was selected for income targeting purposes before family(ies) with a higher preference, the family will be returned to the waiting list. In addition, while the family is on the waiting list, the family must immediately inform SLHA of changes in contact information, including current residence, mailing address and phone number. The changes must be submitted in writing.

## 6.8 Order of Selection [24 CFR 982.207(e)]

SLHA will select applicants from the waiting list by using a ranking preference system. Each preference will receive an allocation of points. If an applicant qualifies for more than one preference, the points for each preference are added together to determine the ranking on the waiting list.

Among applicants with equal preference status, the waiting list ranking is determined by date and time of receipt of the application. Applicants that do not qualify for any preferences will be placed on the waiting list based on time and date of application. Points will be assigned as follows:

Pt. Value Assigned	Criteria
80	In-place families in units converted to PBV assistance
40	Involuntarily displaced by natural disaster or government action
15	Victims of domestic violence
10	Disabled head of household, spouse or co-head
10	Homeless
10	Non-elderly persons with disabilities transitioning out of an institutional or other segregated setting or at serious risk of institutionalization
5	At risk of becoming homeless

## 6.9 Income Targeting

Each fiscal year SLHA will reserve a minimum of 75 percent of its HCV tenant-based new admissions for extremely low-income families (See Section 8.4 for definition). SLHA will admit families who qualify under the extremely low-income limit to meet the income targeting requirement, to the extent possible given the income demographics of applicants to the program. A higher or lower percent of new admissions will be allowed if HUD determines a higher or lower percent is necessary because of unusually high or low family incomes. SLHA will monitor new admissions' incomes to determine if a request to HUD to change the percentage is warranted.

Additionally, SLHA will reserve a minimum of not less than 40 percent of its HCV project based admissions for extremely low-income families. A higher or lower percent of new admissions will be allowed if HUD determines a higher or lower percent is necessary because of unusually high or low family incomes. SLHA will monitor new admissions' incomes to determine if a request to HUD to change the percentage is warranted.

The income targeting requirement does not apply where SLHA is providing assistance to low income or moderate income families entitled to preservation assistance under the tenant based program as a result of a mortgage prepayment or opt-out.

SLHA shall have the discretion, at least annually, to exercise the fungibility provision of the requirement. This provision allows SLHA to admit less than the minimum 40 percent of its extremely low-income families in a fiscal year to its public housing program to the extent that admission of extremely low income families in the tenant based assistance program exceeds 75 percent of all admissions during the fiscal year. If exercising this option, SLHA will follow the fungibility threshold limitations.

The discretion by SLHA to exercise the fungibility provision is also reflected in SLHA's Public Housing Admissions and Continued Occupancy Policy.

## **6.10 Notification of Selection**

Once a family is selected from the waiting list SLHA will notify the family by first class mail of the selection and schedule the family for an eligibility interview. The notice will inform the family of the following:

- Date, time, and location of the scheduled eligibility interview, including any procedures for rescheduling the interview
- Who is required to attend the interview
- Documents and information that should be brought to the interview

Applicants who fail to attend a scheduled interview will automatically be scheduled for another interview. SLHA will notify the family of the date and time of the second interview.

If the notice is returned by the post office with no forwarding address, the applicant will be denied assistance and their name will be removed from the waiting list. If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the forwarding address. Applicants who fail to attend two scheduled interviews, without the prior approval of SLHA, will be denied assistance and removed from the waiting list.

## **6.11 The Eligibility Interview**

Families selected from the waiting list are required to participate in an eligibility interview. The head of household and all adult household members over 18 are required to attend the interview. The interview will be conducted only if the head of household or spouse/co-head provides appropriate documentation of legal identity. The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, as well as complete required forms, provide required signatures, and submit required documentation.

Interviews will be conducted in English. An advocate, interpreter, or other assistant may assist the family with the interview process. For limited English proficient (LEP) applicants, SLHA will provide translation services at SLHA's expense upon request.

If any materials are missing, SLHA will provide the family with a written list of items that must be submitted. If all adult members do not attend the interview, verification of information pertaining to adult members not present will not begin until the family members signs the release forms at SLHA. Any required documents or information that the family is unable to provide at the interview must be provided within 10 business days of the interview. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and family information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial.

Applicants who fail to attend a scheduled interview will automatically be scheduled for another interview. SLHA will notify the family of the date and time of the second scheduled interview. If the notice is returned by the post office with no forwarding address, the applicant will be denied assistance and their name will be removed from the waiting list. If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the forwarding address. Applicants who fail to attend two scheduled interviews, without the prior approval of SLHA, will be denied assistance and removed from the waiting list.

Once SLHA has all the required documentation, SLHA will proceed to determine if the family is eligible to receive HCV assistance.

#### **6.12 Purging the Waiting List [24 CFR 982.204(c)]**

SLHA will periodically purge the waiting list to ensure that it is current and accurate. To purge the waiting list, SLHA will mail each applicant on the list an update request to confirm their continued interest. The update request will be sent to the last address that SLHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's removal from the waiting list. The applicant must respond to the request in writing. The response may be delivered in person, by mail or e-mail. If the applicant fails to respond within 14 days of the update request, the applicant's name will be withdrawn from the waiting list. An extension of 10 days to respond will be granted, if requested and needed, as a reasonable accommodation for a person with a disability.

If the letter is returned by the post office with no forwarding address, the applicant will be removed from all assisted programs' waiting lists without further notice and the envelope and letter will be maintained in the file. If the letter is returned by the post office with a forwarding address, the letter will be re-sent to the forwarding address. If an applicant is removed from the waiting list for failure to respond, they will not be entitled to reinstatement unless SLHA determines there were circumstances beyond the person's control.

## Chapter 7 General Verification Requirements

[24 CFR Part 5, Subparts B, D, E and F; 982.516]

### 7.1 Overview

SLHA's verification requirements are designed to maintain program integrity. This chapter explains SLHA's general verification hierarchy for verifying all factors related to a family's participation in the HCV program. Detailed information on verifying eligibility, annual income and adjustments to annual income are provided in Chapters 9, 13 and 15, which provide specific verification information for each area.

### 7.2 Methods of Income and Adjustments to Income Verification [24 CFR 982.516]

#### 7.2.1 Verification Hierarchy

SLHA will use the most reliable form of verification that is available and will document the reasons when SLHA uses a lesser form of verification. In order of priority, SLHA will use the following forms of verification:

- 7.2.1.1 *Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system (Only available for participants)***
- 7.2.1.2 *Up-front Income Verification (UIV) using a non-HUD system***
- 7.2.1.3 *Written Third party Verification (may be provided by applicant or participant)***
- 7.2.1.4 *Written Third party Verification Form***
- 7.2.1.5 *Oral Third party Verification***
- 7.2.1.6 *Self-Certification/Self-Declaration***

#### 7.2.2 Timing of Verification

SLHA will allow 10 business days for return of third party verifications and five business days to obtain other types of verifications before going to the next level. For applicants, verifications may not be more than 60 days old at the time of the interview. For participants, verifications are valid for 120 consecutive days from date of receipt.

#### 7.2.3 HUD's Enterprise Income Verifications (EIV)

EIV is the verification of income, before or during a family re-examination, through an independent source that systematically and uniformly maintains income information in computerized form for a large number of individuals. Users are allowed to search for income records by Head of Household's (HOH) social security number, program type and/or by annual re-examination. The use of EIV is the mandatory income verification method if the information is available on the system.

#### **7.2.4 Up-front Income Verification (UIV) Using a Non-HUD System**

Up-front income verification (UIV) refers to SLHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to SLHA. Examples of such sources are the Child Support Enforcement Agency and unemployment compensation.

#### **7.2.5 Written Third Party Verification**

The written third party verification consists of documents generated by a third party source, which may be received directly from a third party source or provided by the family. Written third party verification documents must be authentic third party. Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts and unemployment monetary benefit notices. SLHA requires, at minimum, three current and consecutive pay stubs for determining annual income from wages covering the 60-day period prior to SLHA's request. SLHA may reject documentation provided by the family if the document appears to be forged or if the document is altered, mutilated or illegible. Third party documents provided by the family must be dated within 60 days of SLHA's request date.

#### **7.2.6 Written Third Party Verification Form**

When upfront verification is not available and the family is unable to provide written third party documents, SLHA must request a written third party verification form. A written third party verification form is mandatory when there is an unreported source of income or a substantial difference in reported income and there is no UIV or family provided documentation to support the income discrepancy. A standardized third party verification form will also be sent when third party verification documents are rejected by SLHA or SLHA has been unable to verify the income information with a more reliable method. SLHA will mail, fax or e-mail third party written verification form requests directly to third party sources.

#### **7.2.7 Oral Third Party Verification**

Oral third party verification will be used when written third party verification form is not returned in 10 business days or third party written verification is not possible. When third party oral verification is used, SLHA will complete an oral verification form and record the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used and the facts provided. When any source responds verbally to the initial written request for verification, SLHA will accept the verbal response as oral verification, but will also request that the source complete and return any verification forms.

#### **7.2.8 Self-Certification/Self-Declaration**

A self-certification or self-declaration is a written statement made under penalty of perjury. Self-certification or self-declaration is used as a last resort when SLHA is unable to obtain third party verification. When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to SLHA.

### **7.3 Verification of Non-Financial Items**

Verification for non-financial items follows the same verification hierarchy as the verification for income, except that EIV and UIV are not available for most non-financial items. For non-financial issues, the most reliable form of verification is written third party verification in the form of documents generated by a third party source, which may be received directly from a third party source or provided by the family. Chapters 9 and 15 contain non-financial items to verify. These chapters describe the preferred documents for each issue that requires verification. For some non-financial issues, documents generated by a third party source are the only acceptable verification method.

If third party documents cannot be obtained or the documents are not authentic, SLHA will request a written third party verification form. A standardized third party verification form will be used when there is a third party source to verify non-financial items. SLHA will mail, fax or e-mail third party written verification form requests directly to third party sources.

If third party written verification cannot be obtained in 10 business days, SLHA may use oral verification for some non-financial items. SLHA will complete an oral verification form and record the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used and the facts provided. When any source responds verbally to the initial written request for verification, SLHA will accept the verbal response as oral verification, but will also request that the source complete and return any verification forms.

As a last resort, SLHA may use a self-certification or self-declaration for verification of non-financial items when SLHA is unable to obtain third party verification.

### **7.4 Items to Be Verified**

The items that need to be verified include:

- Identity
- Age
- All income not specifically excluded by the regulations
- Zero-income status of household
- Full time student status, including High School students who are 18 or over
- Current assets, including assets disposed of for less than fair market value in the preceding two years
- Childcare expenses where it allows an adult family member to be employed or to further his/her education
- Total medical expenses of all family members in households whose head, co-head or spouse is elderly or disabled
- Disability assistance expenses to include only those costs associated with attendant care or auxiliary apparatus for a disabled member of the family, which allow an adult family member to be employed
- Disability for determination of preferences, allowances or deductions
- U.S. citizenship/eligible immigrant status

- Social Security numbers for all family members
- Preference status
- Marital status when needed for head or spouse definition
- Verification of reduction in benefits for noncompliance



## Chapter 8 Eligibility

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

### 8.1 Overview

This chapter defines the criteria for HCV program eligibility. SLHA is responsible for ensuring that every individual and family admitted to the HCV program meets program eligibility requirements. The eligibility criteria also applies to any individual approved to join the family after the family has been admitted to the program. The family must provide any information SLHA needs to confirm eligibility and determine the level of the family's assistance.

SLHA will review all information provided by the family carefully and without regard to factors other than those defined in this chapter. Families will have the opportunity to explain their circumstances, furnish additional information, if needed, and receive an explanation of the basis for any decision made by SLHA pertaining to their eligibility.

### 8.2 Eligibility Factors [24 CFR 982.201(b)]

SLHA accepts applications only from families whose head of household or spouse is at least 18 years of age or a legally emancipated minor. To be eligible for participation, an applicant must meet the following eligibility criteria.

- Qualify as a family
- Have income at or below the specified income limits
- Qualify on the basis of citizenship or the eligible immigrant status of family members
- Provide Social Security number information for family members as required
- Consent the collection and use of family information as provided for in SLHA consent forms
- Qualify as an eligible student if the head of household is a student in an institution of higher learning
- Not have a household member with a history of behavior that would prohibit program participation

### 8.3 Family and Household [24 CFR 982.201(c)]

#### 8.3.1 Family

To be eligible for assistance, an applicant must qualify as a family. A family may be a single person or a group of persons. Family includes a family with a child or children, two or more elderly or disabled persons living together, one or more elderly or disabled persons living with a live-in aide, or a single person. A single person family may be an elderly person, a displaced person, a disabled person or any other single person. SLHA has the discretion to determine if any other group of persons qualifies as a family.

A family also includes two or more individuals who are not related either by blood, marriage, adoption or other operation of law, but who can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family. Each family must identify the individuals to be included in the family at the time of application and must update this information if the family's composition changes.

### **8.3.2 Household**

Household includes additional people who, with SLHA's permission, live in an assisted unit, such as live-in aides, foster children and foster adults.

### **8.3.3 Family Break-Up**

Except under the following conditions, SLHA has discretion to determine which member(s) of an assisted family will continue to receive assistance if the family breaks up:

- If the family break-up results from an occurrence of domestic violence, dating violence, sexual assault or stalking, the victim will retain assistance (For documentation requirements and policies related to domestic violence, dating violence, sexual assault and stalking, see Chapter 4 of this plan)
- If a court determines the disposition of property between members of the assisted family in a divorce or separation decree, SLHA is bound by the court's determination of which family members shall continue to receive assistance

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open. If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to receive assistance. In the absence of a judicial decision or an agreement among the original family members, SLHA will determine which family retains their placement on the waiting list or will continue to receive assistance. In making its determination, SLHA will take into consideration the following factors: the interest of any minor children, including custody arrangements; the interest of any ill, elderly or disabled family members; the interest of any family member who is the victim of domestic violence, dating violence, sexual assault or stalking, including a family member who was forced to leave an assisted unit as a result of such actual or threatened abuse; any possible risks to family members as a result of domestic violence or criminal activity and the recommendations of social service professionals.

#### **8.3.3.1 Remaining Family Members**

##### **8.3.3.1.1 Remaining Family Members Includes an Adult**

If the head of household is no longer residing in the unit and there is another family member on the lease that is over the age of 18, that family member may become head of household. If there is more than one adult over the age of 18, the family may choose which individual to designate as head of household. If the departure of the head of household reduces the voucher size, the family will be issued a new voucher and the family may have to move to a new unit. A live-in aide is never considered a remaining family member.

##### **8.3.3.1.2 No Adult Family Member Remains**

If only minors remain in a household receiving HCV assistance, SLHA will take the following actions:

- If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made

- At any time that custody or guardianship legally has been awarded to a caretaker, the voucher will be transferred to the caretaker as long as the caretaker meets eligibility criteria
- During any period that a caretaker is not a family member, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income

#### **8.3.4 Head of Household [24 CFR 5.504(b)]**

Head of household means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a co-head or spouse. The head of household must have the legal capacity to enter into a lease under state and local law. The family may designate any qualified family member as the head of household.

#### **8.3.5 Spouse, Co-Head and Other Adult**

A family may have a spouse or co-head, but not both. Spouse means the marriage partner of the head of household. The term spouse does not apply to friends, roommates or significant others who are not marriage partners. A co-head is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one co-head. Minors who are emancipated under state law may be designated as a spouse or co-head. Other adult means a family member, other than the head, spouse or co-head, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

#### **8.3.6 Dependent [24 CFR 5.603]**

A dependent is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full time student. The head of household, spouse, co-head, foster children/adults and live-in aides can never be dependents.

##### ***8.3.6.1 Joint Custody of Dependents***

Dependents that are subject to a joint custody arrangement are a member of the family if they live with the applicant or participant family 50 percent or more of the time.

When more than one applicant or participant family is claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, SLHA will make the determination based on available documents such as court orders or tax returns showing which family has claimed the child for income tax purposes.

#### **8.3.7 Full time Student [24 CFR 5.603]**

A full time student is a person who is attending school or vocational training on a full time basis. The time commitment or subject load that is needed for full time student status is defined by the educational institution.

#### **8.3.8 Elderly and Near-Elderly Persons, and Elderly Family [24 CFR 5.100 and 5.403]**

##### ***8.3.8.1 Elderly Persons***

An elderly person is a person who is at least 62 years of age.

#### **8.3.8.2 Near-Elderly Persons**

A near-elderly person is a person who is 50-61 years of age.

#### **8.3.8.3 Elderly Family**

An elderly family is one in which the head, spouse, co-head or sole member is an elderly person.

### **8.3.9 Persons with Disabilities and Disabled Family [24 CFR 5.403]**

#### **8.3.9.1 Persons with Disabilities**

Under the HCV program, special rules apply to persons with disabilities and to any family whose head, spouse or co-head is a person with disabilities. These definitions are used for a number of purposes, including ensuring that persons with disabilities are not discriminated against based upon disability. As discussed in Chapter 2, SLHA will make all aspects of the HCV program accessible to persons with disabilities and consider reasonable accommodation requests based upon a person's disability.

#### **8.3.9.2 Disabled Family**

A disabled family is one in which the head, spouse or co-head is a person with disabilities.

### **8.3.10 Guests [24 CFR 5.100]**

A guest is a person temporarily staying in the unit with the consent of a member of the household who has authority to do so. A guest can remain in the assisted unit no longer than 30 consecutive days or 90 cumulative calendar days during any 12-month period. Children who are subject to a joint custody arrangement or for whom a family has visitation privileges that are not included as a family member because they live outside of the assisted household more than 50 percent of the time are not subject to the time limitations of guests. A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure that is expected to last longer than 30 consecutive days). An exception will only be made if the family can identify and provide documentation of the residence to which the guest will return.

### **8.3.11 Foster Children and Foster Adults**

Foster adults are usually persons with disabilities, unrelated to the family, who are unable to live alone. A foster child is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency. A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards. A foster child will be included in determining unit size only if he or she is expected to be in the unit for more than six months.

Foster children and foster adults who are living with an applicant or assisted family are considered household members, but not family members. The income of foster children/adults is not counted in family annual income and foster children/adults do not qualify for a dependent deduction.

### **8.3.12 Absent Family Members**

Individuals may be absent from the family, either temporarily or permanently, for a variety of reasons, including educational activities, placement in foster care, employment, illness, incarceration and court order.

#### ***8.3.12.1 Definitions of Temporarily and Permanently Absent***

An individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. An individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

#### ***8.3.12.2 Absent Students***

When someone who has been considered a family member attends school away from home, the person will continue to be considered a family member unless information becomes available to SLHA indicating that the student has established a separate household or the family declares that the student has established a separate household.

#### ***8.3.12.3 Absences Due to Placement in Foster Care***

Children temporarily absent from the home because of placement in foster care are considered members of the family. If a child has been placed in foster care, SLHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

#### ***8.3.12.4 Absent Head, Spouse or Co-head***

An employed head, spouse or co-head absent from the unit for more than 180 consecutive days due to employment will continue to be considered a family member. A head, spouse or co-head who is deployed on active military duty and is absent from the unit for more than 180 consecutive days will continue to be considered a family member.

#### ***8.3.12.5 Family Members Confined for Medical Reasons***

If a family member is confined to a nursing home or hospital for more than 180 consecutive days, that person is no longer considered a family member and the income of that person is not counted. The family may request that the person continue to be a family member if the confinement is not permanent. SLHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person will be removed from the family.

### **8.3.13 Live-In Aide**

SLHA will approve a live-in aide, if needed, as a reasonable accommodation to make the program accessible to and usable by the family member with disabilities. Live-in aide means a person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities and who: is determined to be essential to the care and well-being of the person, is not obligated for the support of the person, and would not be living in the unit except to provide the necessary supportive services.

A live-in aide is a member of the household, not the family, and the income of the aide is not considered in income calculations. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of the family.

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is not obligated for the support of the person(s) needing the care, and would not be living in the unit except to provide the necessary supportive services.

SLHA may not approve a particular person to be a live-in aide and may withdraw such approval if:

- The person has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- The person has committed drug-related criminal activity or violent criminal activity
- The person currently owes rent or other amounts to SLHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Housing Act

Within 10 business days of receiving a request for a live-in aide, including all required documentation related to the request, SLHA will notify the family of its decision.

## **8.4 Income Eligibility**

Eligibility is established by comparing a family's annual income with HUD's published income limits. Income limits are published annually and are based on estimates of median family income in a particular area or county, with adjustments for family size. Income limits are used for eligibility only at admission. To be income-eligible, a family must be one of the following:

- An extremely low-income family, which is a very low-income family, whose income does not exceed the higher of 30 percent of the area median income or the federal poverty level.
- A very low-income family (50 percent of area median income)
- A low-income family (80 percent of the area median income) that has been continuously assisted under the 1937 Housing Act. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the HCV program
- A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments or other HUD-assisted multifamily homeownership programs
- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing

## **8.5 Citizenship or Eligible Immigration Status [24 CFR 5, Subpart E]**

Only individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status are eligible for the HCV program. At least one family

member must be a citizen, national or noncitizen with eligible immigration status in order for the family to qualify.

#### **8.5.1 Declaration [24 CFR 5.508]**

Each family member must declare whether each individual is a citizen, national or eligible noncitizen, except members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens, the declaration must be signed personally by the head, spouse, co-head and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status. A declaration is not required for live-in aides, foster children or foster adults.

##### **8.5.1.1 Ineligible Noncitizens**

Noncitizens who do not wish to contend their immigration status are required to have their names listed on a non-contending family members listing, signed by the head, spouse or co-head (regardless of citizenship status), indicating their ineligible immigration status. SLHA is not required to verify a family member's ineligible status and is not required to report an individual's unlawful presence in the U.S. to the United States Citizenship and Immigration Services (USCIS).

Noncitizen students are prohibited from participating in the HCV program. This prohibition extends to the noncitizen spouse of a noncitizen student, as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

#### **8.5.2 Mixed Families**

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered mixed families. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 22 for a discussion about how rents are prorated, and Chapter 30 for informal hearing procedures.

#### **8.5.3 Ineligible Families [24 CFR 5.514(d), (e), and (f)]**

When SLHA determines that an applicant family does not include any citizens, nationals or eligible noncitizens following the verification process, the family will be sent a written notice of the determination. The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS) or to request an informal hearing with SLHA. The informal hearing with SLHA may be requested in lieu of the USCIS appeal or at the conclusion of the USCIS appeal process. Informal hearing procedures are contained in Chapter 30.

#### **8.5.4 Timeframe for Determination of Citizenship Status [24 CFR 5.508(g)]**

For new occupants joining the assisted family, SLHA will verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first. Each family

member is required to submit evidence of eligible status only one time during continuous occupancy.

## **8.6 Social Security Numbers [24 CFR 5.216 and 5.218]**

Each 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. These requirements do not apply to noncitizens who do not contend eligible immigration status. SLHA will deny admission to an applicant family if they do not meet the SSN disclosure and documentation requirements.

## **8.7 Family Consent to Release of Information [24 CFR 5.230]**

Each adult family member and the head of household, spouse or co-head, regardless of age, must sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. SLHA will deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information.

## **8.8 Students in Institutions of Higher Education [24 CFR 5.612]**

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 HCV 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 HCV assistance. If, however, a student in these circumstances is determined independent from his/her parents, the income of the student's parents will not be considered in determining the student's eligibility. The determination is not required for students who reside with parents who are applying to receive HCV assistance. It is limited to students who are seeking assistance on their own, separately from their parents.

### **8.8.1 Definitions for Student Eligibility Restrictions**

#### ***8.8.1.1 Independent Student***

SLHA will consider a student independent from his or her parents if the following four criteria are met:

- The individual is of legal contract age under state law
- 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
    - Be married



- 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
- 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

#### **8.8.1.2 Parents**

Parents include 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.).

### **8.8.2 Determining Student Eligibility**

If a student is applying for assistance on their own, apart from their parents, SLHA will determine whether the student is subject to the student eligibility restrictions. If the student is subject to those restrictions, SLHA will ensure that the student is individually eligible for the program independent from their parents or the student's parents are income eligible for the program and the family with which the student is applying is collectively eligible for the program.

If SLHA determines that the student, the student's parents (if applicable), or the student's family is not eligible, SLHA will send a notice of denial and the applicant family will have the right to request an informal review.

### **8.8.3 Determining Parental Income Eligibility**

For any student who is subject to the student eligibility restrictions and who does not satisfy the definition of independent student, SLHA will determine the income eligibility of the student's parents as follows:

- If the student's parents are married and living together, SLHA will obtain a joint income declaration and certification of joint income from the parents
- If the student's parent is widowed or single, SLHA will obtain an income declaration and certification of income from that parent
- If the student's parents are divorced or separated, SLHA will obtain an income declaration and certification of income from each parent
- If the student has been living with one of their parents and has not had contact with or does not know where to contact the other parent, SLHA 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. SLHA 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, SLHA will use the income limits for the jurisdiction in which the parents live.

## **8.9 Current and Past Behavior [24 CFR 982.552 & 553]**

SLHA will deny admission to the program for any of the following:

- If any member of the family has been evicted from federally assisted housing in the past five years
- If SLHA has ever terminated assistance under the program for any family member
- If any member of the family has committed fraud, bribery or other corrupt or criminal act in connection with any Federal housing program
- If the family owes rent or other amount to SLHA or another PHA in connection with HCV or public housing assistance
  - All debts owed to SLHA must be paid in full before the family is eligible to be placed on the waiting list
- If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to a unit or other amounts owed by the family under a lease
- If the family has engaged in or threatened abusive or violent behavior toward SLHA personnel
- If any applicant deliberately misrepresents the information on which eligibility or rent is established
- If any member of the family has engaged in drug-related or violent activity as outlined in the regulations and the 1996 “One Strike You’re Out Policy”, detailed in PIH Notice 96-27, dated May 15, 1996. The notice further clarifies that any family member’s activity that shows a pattern of abuse of alcohol may also result in the denial of assistance to the family. SLHA may deny assistance if the preponderance of the evidence indicates that a family member has engaged in such activity, regardless of whether the family member has been arrested or convicted
  - Corroboration of this activity may include, but is not limited to, police reports, conviction records, and personal testimony
  - SLHA may waive the requirement to deny admission to the family only if the person can demonstrate to SLHA’s satisfaction that the person is no longer engaging in illegal use of a controlled substance or abuse of alcohol and:
    - has successfully completed a supervised drug or alcohol rehabilitation program
    - has otherwise been rehabilitated successfully
    - is participating in a supervised drug or alcohol rehabilitation program certified by the State
    - family members must comply with SLHA or HUD requests to provide documentation or release to obtain documentation
- If any family member has been evicted from public housing, Indian Housing or any HCV program because of drug-related criminal activity, they are ineligible for admission to HCV programs for a three year period
- If any member of the household is subject to a lifetime registration under a State’s sex offender registration program
- If any member of the household has ever been convicted of the manufacture or distribution of methamphetamine on the premises of federally assisted housing

## Chapter 9 Verifying Eligibility

### 9.1 Verifying Family Information

#### 9.1.1 Verification of Legal Identity

In order to prevent program abuse, SLHA requires applicants to furnish verification of legal identity for all family members. The table below lists the preferred documents for verification of legal identity for adults and minors. The table also provides a list of documents that can be used if the preferred documents are not available. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required.

Factor to be Verified	Preferred Document(s)	Alternate Document(s)
Identity-Adult	<ul style="list-style-type: none"><li>• Current valid Government Issued Picture ID</li><li>• US Passport</li></ul>	<ul style="list-style-type: none"><li>• Certificate of Birth</li><li>• Certificate of U.S. Citizenship</li><li>• Certificate of Naturalization</li><li>• U.S. military discharge (DD 214)</li><li>• Voter's registration</li><li>• Company/agency Identification Card</li><li>• Hospital records</li><li>• School ID card with a photograph</li><li>• Church issued baptismal certificate</li></ul>
Identity-Minor	<ul style="list-style-type: none"><li>• Birth Certificate</li></ul>	<ul style="list-style-type: none"><li>• Adoption papers</li><li>• Custody agreement</li><li>• Health and Human Services ID</li><li>• School records</li><li>• Hospital records</li><li>• School ID card with a photograph</li><li>• Church issued baptismal certificate</li></ul>

If none of these documents can be provided, at SLHA's discretion, a third party who knows the person may attest to the person's identity.

#### 9.1.2 Verification of Age

The documents listed in Section 9.1.1 are the preferred forms of age verification for all family members. For elderly family members, an original document that provides evidence of the receipt of social security retirement benefits is acceptable. If an official record of birth or evidence of social security retirement benefits cannot be provided, SLHA will require the family to provide a self-certification. Age must be verified only once during continuously assisted occupancy.

### **9.1.3 Family Relationships**

Applicants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in Chapter 8. Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

#### **9.1.3.1 Marriage**

Certification by the head of household is normally sufficient verification. If SLHA has reasonable doubts about a marital relationship, SLHA will require the family to submit a marriage certificate to verify that a couple is married.

#### **9.1.3.2 Separation or Divorce**

Certification by the head of household is normally sufficient verification. If SLHA has reasonable doubts about a separation or divorce, SLHA will require the family to document the divorce or separation. A copy of a divorce decree is required to document that a couple is divorced. A copy of a court-ordered maintenance or other court record is required to document a separation.

#### **9.1.3.3 Verification of Foster Children and Foster Adults**

Third party verification from the state or local government agency responsible for the placement of the individual with the family is required to include the individual in the household.

#### **9.1.3.4 Verification of Absence of Family Member**

An applicant family may include an absent family member as part of the household in the circumstances outlined in Section 8.3.12 of this Plan. To verify if the absent member qualifies for inclusion, the circumstances will be verified as follows.

##### **9.1.3.4.1 Absent Students**

Verification of full time student status includes:

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

Verification of absence due to placement in foster care includes:

- Written verification on the agency's letterhead of the placement into foster care, which includes whether and when the child is expected to be returned home
- Completion of a written verification form by the agency

##### **9.1.3.4.2 Absent Head, Spouse or Co-Head**

Verification of absence due to employment includes:

- Written verification from the employer regarding the location and length of assignment

Verification of active military service includes:

- Copy of deployment orders
- Self-certification of remaining family members

#### 9.1.3.4.3 Absence for Medical Reasons

Verification of absence for medical reasons includes:

- A written statement from a medical professional regarding the length of the absence

#### **9.1.4 Verification for Live-in Aide**

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker or caseworker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly or disabled family member. In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is not obligated for the support of the person(s) needing the care and would not be living in the unit except to provide the necessary supportive services. The live-in aide will be subject to the criminal background verification provided in Section 9.7.

## **9.2 Verification of Disability**

SLHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. SLHA is not permitted to inquire about the nature or extent of a person's disability. SLHA must not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If SLHA receives a verification document that provides such information, SLHA will not place this information in the client's file. Under no circumstances will SLHA request a participant's medical record(s).

#### **9.2.1 Family Members Receiving SSA Disability Benefits**

Verification of the receipt of disability benefits from the Social Security Administration (SSI or SSA) is sufficient verification of disability payments under Section 223 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)) for the purpose of qualifying for waiting list preferences or certain income disallowances and deductions.

For applicant family members claiming disability who receive disability benefits from the SSA, SLHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), SLHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213 or by requesting it from [www.ssa.gov](http://www.ssa.gov). Once the applicant or participant receives the benefit verification letter, they will be required to provide it to SLHA.

#### **9.2.2 Family Members Not Receiving SSA Disability Benefits**

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third party verification that the family member meets the HUD definition of disability.

### **9.3 Verification of Income**

Income to determine eligibility shall be calculated and verified in accordance with Chapters 7, 12, 13, 14 and 15 of this plan.

### **9.4 Citizenship or Eligible Immigration Status [24 CFR 5.508]**

#### **9.4.1 Overview**

Housing assistance is not available to persons who are not citizens, nationals or eligible immigrants. Prorated assistance is provided for mixed families containing both eligible and ineligible persons. A detailed discussion of eligibility requirements is in Chapter 8. This Chapter discusses SLHA verification requirements related to citizenship status. The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual, it need not be collected or verified again during continuously assisted occupancy.

#### **9.4.2 U.S. Citizens and Nationals**

Each family member who claims to be a U.S. citizen or national must sign a declaration, Declaration of Section 214 Status form. The declaration must be signed personally by any family member 18 or older and by a parent or guardian for minors. SLHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation. Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless SLHA receives information indicating that an individual's declaration may not be accurate.

#### **9.4.3 Eligible Immigrants Who Were Participants and 62 or over on June 19, 1995**

Eligible immigrants who were participants and age 62 or over on June 19, 1995 are required to sign a declaration of eligible immigration status and provide proof of age as described in section 9.1.2.

#### **9.4.4 Non-citizens with Eligible Immigration Status**

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

- Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
- Form I-94 Arrival-Departure Record annotated with one of the following:
  - "Admitted as a Refugee Pursuant to Section 207"
  - "Section 208" or "Asylum"
  - "Section 243(h)" or "Deportation stayed by Attorney General"
  - "Paroled Pursuant to Section 221 (d)(5) of the USCIS"
- Form I-688 Temporary Resident Card annotated "Section 245A" or Section 210"
- Form I-94 Arrival-Departure Record with no annotation accompanied by:
  - A final court decision granting asylum (but only if no appeal is taken)

- A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90)
- A court decision granting withholding of deportation
- A letter from an asylum officer granting withholding of deportation (if application filed on or after 10/1/90)
- Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12
- A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified

#### **9.4.5 Ineligible Family Members**

Ineligible family members who do not claim to be citizens or eligible immigrants must be listed on a statement of ineligible family members signed by the head of household or spouse.

#### **9.4.6 Non-Citizen Students on Student Visas**

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

#### **9.4.7 Failure to Provide**

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

### **9.5 Verification of Social Security Numbers [24 CFR 5.216 and Notice PIH 2010-3]**

The family must provide documentation of a valid Social Security number (SSN) for each member of the household, with the exception of individuals who do not contend eligible immigration status. Exemptions also include existing program participants who were at least 62 years of age as of January 31, 2010 and who had not previously disclosed an SSN.

SLHA will accept the following documentation as acceptable evidence of the social security number:

- An original SSN card issued by the Social Security Administration (SSA)
- An original SSA-issued document, which contains the name and SSN of the individual
- An original document issued by a federal, state or local government agency, which contains the name and SSN of the individual, along with other identifying information of the individual

SLHA will reject documentation of an SSN provided by an applicant if the document is not an original document or if the original document is altered, mutilated, not legible or appears to be forged. SLHA will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to SLHA within 90 days. SLHA will grant one additional 90-day extension, if needed, for reasons 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 the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided time period, SLHA will deny the individual’s assistance. Social Security numbers must be verified only once during continuously assisted occupancy.

If a child under the age of 6 years old is added to the applicant household within the 6-month period prior to the household's date of admission, the applicant may become a participant, so long as the documentation required above is provided to SLHA within 90 calendar days from the date of admission into the program. SLHA will grant an extension of one additional 90-day period if SLHA determines that, in its discretion, the applicant's failure to comply is due to circumstances that could not reasonably have been foreseen and were outside the control of the applicant. If the applicant family fails to produce the documentation required above within the required time period, SLHA will terminate assistance to the family.

## **9.6 Restrictions on Assistance to Students Enrolled in Institutions of Higher Education**

SLHA will determine whether a student is exempt from the restrictions for students enrolled in an institution of higher education by verifying any one of the following exemption criteria:

- The student is enrolled at an educational institution that does not meet the definition of institution of higher education in the Higher Education Act of 1965
- The student is at least 24 years old
- The student is a veteran
- The student is married
- The student has at least one dependent child
- The student is a person with disabilities and was receiving assistance prior to November 30, 2005

If SLHA cannot verify at least one of these exemption criteria, SLHA will conclude that the student is subject to the restrictions on assistance. In addition to verifying the student's income eligibility, SLHA will then proceed to verify either the student's parents' income eligibility in accordance with Chapters 7, 12, 13, 14 and 15 of this plan or the student's independence from his/her parents (see below).

### **9.6.1 Independent Student**

SLHA will verify a student's independence from their parents to determine that the student's parents' income is not relevant for determining the student's eligibility by doing all of the following:

- Reviewing and verifying previous address information to determine whether the student has established a household separate from his/her parents for at least one year
- Reviewing prior year income tax returns to verify whether a parent has claimed the student as a dependent
- Requesting and obtaining written certification directly from the student's parents identifying the amount of support they will be providing to the student, even if the amount of support is \$0

## **9.7 Criminal Background Verification**

SLHA will perform a criminal background check through private companies for every adult household member. SLHA is authorized to obtain criminal conviction records to screen applicants for admission to the HCV program. This authority assists SLHA in complying with SLHA 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, SLHA will require every applicant family to submit a consent form signed by each adult household member.



SLHA also performs criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state's sex offender program.

If the check indicates a criminal conviction, the applicant may be rejected. If the applicant is rejected, they will be notified in writing. If assistance is denied, the applicant is entitled to a hearing. Failure to request a hearing will result in withdrawal from the waiting list.

## **9.8 Verification of Waiting List Preferences [24 CFR 5.410-5.430]**

### **9.8.1 In-Place Families in Units Converted to PBV Assistance**

SLHA will obtain verification of in-place families from the owner of the units being converted to PBV assistance. The owner shall provide a list of in-place families on the selection date. If SLHA has a question about a family's eligibility, it may require the owner to provide a lease as verification.

### **9.8.2 Involuntary Displacement**

To qualify for the preference for involuntary displacement, the applicant must provide one of the following:

- Documentation that current residence is in an area that has been declared a state or federal disaster area, such as letter or published notice from a government agency and proof that the residence was located in the area, such as lease, deed, mortgage, voters registration, current government picture ID with the relevant address or insurance policy
- Letter from government agency that states that applicant will be displaced by government action

### **9.8.3 Disabled Person or Family Member**

To qualify for the disabled person preference, the applicant must provide one of the following:

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

### **9.8.4 Victims of Domestic Violence**

To qualify for the preference for victims of domestic violence, the applicant must provide one of the following:

- Police reports stating that the applicant is a victim of domestic violence
- Certification from a social service provider stating that the applicant is a victim of domestic violence or is currently living in a situation where they are being subjected to or victimized by violence in the home
- Court Order for protection as a result of domestic violence

### **9.8.5 Homeless**

To qualify for the homeless preference, the applicant must provide one of the following:

- Referral from a homeless shelter

- Certification from a social service provider verifying that the applicant is homeless in accordance with the HUD requirements
- Documentation from the City of St. Louis, Department of Human Services, that the applicant is homeless in accordance with the HUD requirements

#### **9.8.6 Non-elderly Persons with Disabilities Transitioning Out of an Institutional or Other Segregated Setting or at Serious Risk of Institutionalization**

To qualify for the non-elderly persons with disabilities transitioning out of an institutional or other segregated setting or at serious risk of institutionalization preference, the applicant must provide on one of the following;

- Verification that the non-elderly family member is disabled in accordance with Section 9.2; and
  - Certification from a social service provider verifying that the applicant is transitioning out of an institutional or other segregated setting or at serious risk of institutionalization
  - Certification from a medical professional verifying that the applicant is transitioning out of an institutional or other segregated setting or at serious risk of institutionalization

#### **9.8.7 At Risk of Becoming Homeless**

To qualify for the at risk of becoming homeless preference, the applicant must provide on of the following:

- Referral from a homeless shelter
- Certification from a social service provider verifying that the applicant is at risk of becoming homeless in accordance with the definitions in this policy
- Documentation from the City of St. Louis, Department of Human Services, that the applicant is at risk of becoming homeless in accordance with the definition in this policy

#### **9.8.8 Timing of Verification of Preferences**

Preferences will be verified when the applicant reaches the top of the waiting list unless the family was placed on the waiting list when it was open only for a specific preference, in which case the preference is verified at the time of application. If the preference cannot be verified, the applicant will be re-ranked on the waiting list without the claimed preference. If the applicant family intentionally falsifies the application, claiming preferences they do not have, the applicant may be removed from the waiting list.

### **9.9 Final Determination and Notification of Eligibility**

After the verification process is completed, SLHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by SLHA and the current eligibility criteria in effect. If the family is determined to be eligible, SLHA will mail a notification of eligibility.

## Chapter 10 Denial of Assistance

### 10.1 Overview

SLHA will deny assistance to an applicant family that does not meet the eligibility criteria. In addition, SLHA may deny assistance based on certain types of current or past behaviors of family members.

### 10.2 Forms of Denial [24 CFR 982.552(a)(2)]

Denial of assistance includes any of the following:

- Not placing the family's name on the waiting list
- Denying or withdrawing a voucher
- Not approving a request for tenancy, a lease or refusing to enter into a HAP contract

Refusing to process a request for or to provide assistance under portability procedures

### 10.3 Prohibited Reasons for Denial of Program Assistance [24 CFR 982.202(b), 24 CFR 5.2005(b)]

SLHA shall not deny program assistance to the program based on any of the following criteria:

- Age, disability, race, color, religion, sex or national origin (see Chapter 2 for additional information about fair housing and equal opportunity requirements)
- Where a family lives prior to admission to the program
- Where the family will live with assistance under the program (Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside SLHA's jurisdiction under portability, see Chapter 26)
- Whether members of the family are unwed parents, recipients of public assistance or children born out of wedlock
- Whether the family includes children
- Whether a family decides to participate in a family self-sufficiency program
- 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 (see Chapter 2)

### 10.4 Mandatory Denial of Assistance [24 CFR 982.553(a)]

SLHA must deny assistance in the following cases:

- Any member of the household has been evicted from federally-assisted housing in the last three years for drug-related criminal activity
  - SLHA may admit an otherwise eligible family if the household member has completed a SLHA approved drug rehabilitation program or the circumstances which led to eviction no longer exists (e.g., the person involved in the criminal activity no longer lives in the household)
- SLHA determines that any household member is currently engaged in the use of illegal drugs
- SLHA 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
  - SLHA will consider evidence from treatment providers or community-based organizations providing services to household members
- 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

- Any household member is subject to a lifetime registration requirement under a state's sex offender registration program
- The family does not sign the required consent forms including citizenship forms
- The head of household is an ineligible student

## **10.5 Other Reasons for Denial of Assistance**

### **10.5.1 Criminal Activity**

SLHA may deny assistance if SLHA determines that any household member is currently engaged in, or has engaged in, any of the following criminal activities within the past 3 years:

- Drug-related criminal activity, which is defined as the illegal manufacture, sale, distribution, or use of a drug or the possession of a drug with intent to manufacture, sell, distribute or use the drug
- Violent criminal activity, which is defined as 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
- 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; or 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 SLHA (including a SLHA employee or a SLHA contractor, subcontractor or agent)

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

- Any conviction for drug-related or violent criminal activity within the past 3 years
- Any record of eviction from public or privately-owned housing as a result of criminal activity within the past 3 years

### **10.5.2 Previous Behavior in Assisted Housing [24 CFR 982.552(c)]**

SLHA may deny assistance based on the family's previous behavior in assisted housing, including the following:

- The family does not provide information that SLHA determines is necessary in the administration of the program
- The family does not provide complete and true information to SLHA
- Any family member has been evicted from federally-assisted housing in the last 5 years
- SLHA has ever terminated assistance under the program for any member of the family
- Any family member has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- The family owes any debt to SLHA or another PHA in connection with the HCV, Certificate, Moderate Rehabilitation or public housing programs, unless the family repays the full amount of the debt
- The family has breached the terms of a repayment agreement entered into with SLHA, unless the family repays the full amount of the debt covered in the repayment agreement
- A family member has engaged in or threatened violent or abusive behavior toward SLHA personnel
  - Abusive or violent behavior towards SLHA 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

## **10.6 Criteria for Deciding To Deny Assistance**

### **10.6.1 Evidence [24 CFR 982.553(c)]**

SLHA 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 is not be determined by the number of witnesses, but by the greater weight of all evidence.

### **10.6.2 Consideration of Circumstances [24 CFR 982.552(c)(2)]**

SLHA may consider all relevant circumstances when deciding whether to deny assistance based on a family's history except in the situations for which denial of assistance is mandated. SLHA may consider the following factors prior to making its decision:

- The seriousness of the case, especially with respect to how it would affect other residents
- The effects that denial of assistance may have on other members of the family who were not involved in the action or failure
- 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
- The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future

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, SLHA 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.

## **10.7 Removal of a Family Member's Name from the Application [24 CFR 982.552(c)(2)(ii)]**

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 reside 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 SLHA request.

## **10.8 Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]**

If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of assistance, SLHA will determine whether the behavior is related to the disability. If so, upon the family's request, SLHA will determine whether alternative measures are appropriate as a reasonable accommodation. SLHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial of assistance. See Chapter 2 for a discussion of reasonable accommodations.

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

The Violence Against Women Act (VAWA) prohibits SLHA from denying an applicant admission to the HCV 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. Definitions of key terms used in VAWA are provided in Chapter 4 of this Plan, where general VAWA requirements and policies pertaining to notification, documentation and confidentiality are also located.

### **10.9.1 Victim Documentation [24 CFR 5.2007]**

If an applicant claims the protection against denial of assistance that VAWA provides to victims of domestic violence, dating violence, sexual assault, or stalking, SLHA will request in writing that the applicant provide documentation supporting the claim in accordance with Chapter 4 of this plan.

### **10.9.2 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:

- A signed statement requesting that the perpetrator be removed from the application and certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit
- 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

## **10.10 Other Housing Assistance**

An assisted family, or members of the family, may not receive HCV assistance while receiving another housing subsidy for the same unit or for a different unit under any duplicative federal, state or local housing assistance program.

### **10.11 Misrepresentation in Collusion with Owner [24 CFR 982.551, 982.552 (c)]**

If the family intentionally, willingly and knowingly commits fraud or is involved in any other illegal scheme with the owner, SLHA will deny assistance.

### **10.12 Missed Appointments and Deadlines**

It is an applicant family's obligation to supply information, documentation and certification, as needed, for SLHA to fulfill its responsibilities. SLHA schedules appointments and sets deadlines in order to obtain the required information. An applicant who fails to keep an appointment or to supply information required by a deadline without notifying SLHA may be denied assistance. The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, as specified in this Plan. Appointments will be scheduled and time requirements will be imposed for the following events and circumstances:

- Eligibility Interview
- Verification Procedures

- Voucher Issuance and Briefings
- Appeals

Acceptable reasons for missing appointments or failing to provide information by deadlines are:

- Medical emergency
- Family emergency
- Other valid reasons that are not the fault of the applicant

### **10.13 Procedure when Appointments are Missed or Information not Provided**

For most purposes in this Plan, the family will be given two opportunities before being issued a notice of denial assistance for missed appointment or failing to provide information. After issuance of the notice, if the family offers to cure within a reasonable time and the family does not have a history of non-compliance, the notice will be rescinded.

### **10.14 Notice of Eligibility or Denial**

If the family is eligible for assistance, SLHA will notify the family as discussed in Chapter 9. If SLHA determines that a family is not eligible for the program for any reason, the family will be notified of the decision to deny assistance, in writing, within 10 business days of the determination. The notice will describe:

- The reasons for which assistance has been denied
- The family's right to an informal review
- The process for obtaining the informal review (See Chapter 11 for informal review policies and procedures)

# **Chapter 11 Appeals for Denial of Admission**

[24 CFR 982.554]

## **11.1 Overview**

When SLHA makes a decision that has a negative impact on a family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal review. The appeal for applicants denied admission because of citizenship issues takes the form of an informal hearing.

## **11.2 Informal Reviews**

Informal reviews are provided for program applicants. Informal reviews are intended to provide a minimum hearing requirement and need not be as elaborate as the informal hearing requirements.

### **11.2.1 Decisions Subject to Informal Review**

SLHA must give an applicant the opportunity for an informal review of a decision denying assistance. Denial of assistance may include any or all of the following:

- Denying listing on SLHA waiting list
- Denying or withdrawing a voucher
- Refusing to enter into a HAP contract or approve a lease
- Refusing to process or provide assistance under portability procedures

Informal reviews are not required for the following reasons:

- Discretionary administrative determinations by SLHA
- General policy issues or class grievances
- A determination of the family unit size under SLHA subsidy standards
- A SLHA determination not to grant approval of the tenancy
- A SLHA determination that the unit is not in compliance with the HQS
- A SLHA determination that the unit is not in accordance with the HQS due to family size or composition

### **11.2.2 Notice to the Applicant**

SLHA must give an applicant notice of a decision denying assistance. The notice must contain a brief statement of the reasons for SLHA's decision and must also state that the applicant may request an informal review of the decision. The notice must describe how to obtain the informal review.

### **11.2.3 Scheduling an Informal Review**

A request for an informal review must be made in writing and delivered to SLHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of SLHA's denial of assistance. SLHA will schedule and send written notice of the informal review within 10 business days of the family's request.

### **11.2.4 Informal Review Procedures**

A person, other than the one who made or approved the decision under review or a subordinate of this person, will conduct the informal review. The applicant will be provided an opportunity to present written or oral objections to the decision of SLHA.



### **11.2.5 Informal Review Decision**

In rendering a decision, SLHA will evaluate the following issues:

- The validity of grounds for denial of assistance
- The validity of the evidence
  - SLHA will evaluate whether the facts presented prove the grounds for denial of assistance
  - If the facts prove that there are grounds for denial, SLHA will uphold the decision to deny assistance

SLHA will notify the applicant in writing of SLHA's final decision. The notice of the final decision will include a statement explaining the reason(s) for the decision. The notice will be mailed as soon as practicable after the informal review to the applicant and his or her representative. If the decision to deny assistance is overturned, processing for admission will resume. If the family fails to appear for their informal review, the denial of admission will stand and the family will be notified.

### **11.3 Informal Hearings [24 CFR 982.555]**

The informal hearing processes are described in Chapter 30.

### **11.4 Mitigating Circumstances for Applicants/Participants with Disabilities [24 CFR 982.204, 982.552(c)]**

A SLHA decision to withdraw from the waiting list the name of an applicant family that includes a person with disabilities is subject to reasonable accommodation. If the applicant did not respond to SLHA's request for information or updates because of the family member's disability, SLHA will reinstate the applicant in the family's former position on the waiting list.

## Chapter 12 Income Determination

[24 CFR Part 5, Subpart F]

### 12.1 Overview

A family's income determines eligibility for assistance and is also used to calculate the family's payment and SLHA's subsidy. SLHA will use the methods described in this chapter to determine a family's income at admission and at reexamination. Using these methods will also ensure that only eligible families receive assistance and that no family pays more or less than its obligation.

### 12.2 Anticipating Annual Income

#### 12.2.1 General Requirements for Annual Income

Annual Income means all amounts, monetary or not, which:

- Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
- Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- Are not specifically excluded
- Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access

#### 12.2.2 Basis of Annual Income Projection

SLHA will count all income anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date. SLHA generally will use current circumstances to determine anticipated income for the coming 12-month period. SLHA may use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected
- It is not feasible to anticipate a level of income over a 12-month period
- SLHA believes that past income is the best available indicator of expected future income

##### ***12.2.2.1 Imminent Change in Income***

If SLHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period. The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases, SLHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs.

##### ***12.2.2.2 Averaging Income When Anticipation is Infeasible***

When SLHA cannot readily anticipate annual income based upon current circumstances for a full 12 months, SLHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income. SLHA may average known sources of income that vary to compute an annual income or annualize current income and conduct an interim reexamination if income changes. If by averaging, an estimate can be made for those families whose income fluctuates from month to month. This estimate will be used to reduce the number of interim adjustments. The method used depends on the regularity, source and type of income.

For school teachers, school bus drivers and other repetitive seasonal workers, SLHA will annualize income by multiplying a full month of earnings by 10 and dividing that total by 12 months.

#### **12.2.2.3 Other Circumstances**

Any time current circumstances are not used to project annual income, a clear rationale for the decision will be documented in the file. In all such cases, the family may present information and documentation to SLHA to show why the historic pattern represents the family's anticipated income.

### **12.3 Income Included in Annual Income**

#### **12.3.1 Wages and Related Compensation**

The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income.

#### **12.3.2 Some Types of Military Pay**

All regular pay, special pay and allowances of a member of the Armed Forces are included, except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

#### **12.3.3 Business Income**

Annual income includes the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.

##### **12.3.3.1 Business Expenses**

Net income is gross income, less business expense. To determine business expenses that may be deducted from gross income, SLHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is described below.

##### **12.3.3.2 Business Expansion**

SLHA will not deduct expenses for business expansion from gross income. Business expansion is defined as any capital expenditures made to add new business activities, to expand current facilities or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

#### **12.3.3.3 Capital Indebtedness**

SLHA will not deduct amortization of capital indebtedness from gross income. Capital indebtedness is defined as the principal portion of the payment on a capital asset such, as land, buildings and machinery. This means SLHA will allow as a business expense for the interest, but not principal, paid on capital indebtedness.

#### **12.3.3.4 Negative Business Income**

If the net income from a business is negative, no business income will be included in annual income; a negative amount will not be used to offset other family income.

#### **12.3.3.5 Withdrawal of Cash or Assets from a Business**

SLHA will include the withdrawal of cash or assets from the operation of a business or profession in annual income, unless the withdrawal reimburses a family member for cash or assets invested in the business by the family. Acceptable investments in a business include cash loans and contributions of assets or equipment. For example, if a member of an assisted family provided an up-front loan of \$2,000 to help a business get started, SLHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid. Investments do not include the value of labor contributed to the business without compensation.

#### **12.3.3.6 Co-owned Businesses**

If a business is co-owned with someone outside the family, the family must document the share of the business it owns. If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference.

### **12.3.4 Assets**

Annual income includes the interest, dividends and other net income of any kind from real or personal property. For most types of assets, SLHA will determine the value of the asset in order to compute income from the asset. As is true for all sources of income, SLHA will use other than current circumstances to anticipate income when: (1) an imminent change in circumstances is expected, (2) it is not feasible to anticipate a level of income over 12 months or (3) SLHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income, but the property is currently vacant, SLHA can take into consideration past rental income, along with the prospects of obtaining a new tenant. Anytime current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. The family may present information and documentation to SLHA to show why the asset income determination does not represent the family's anticipated asset income.

#### **12.3.4.1 Valuing Assets**

The calculation of asset income sometimes requires SLHA to make a distinction between an asset's market value and its cash value. The market value of an asset is its worth (e.g., the amount a buyer would pay for real estate or the balance in an investment account). The cash value of an asset is its market value, less all reasonable amounts that would be incurred when converting the asset to cash. Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions.

#### ***12.3.4.2 Lump-Sum Receipts***

Payments that are received in a single lump-sum, such as inheritances, capital gains, lottery winnings, insurance settlements and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account). For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see Section 12.3.5.1.

#### ***12.3.4.3 Imputing Income from Assets***

When net family assets are \$5,000 or less, SLHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, SLHA will include in annual income the greater of the actual income derived from the assets or the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by the current HUD-established passbook savings rate.

#### ***12.3.4.4 Determining Actual Anticipated Income from Assets***

If it is necessary to use the value of the asset to compute the anticipated income from an asset, SLHA will use the market value of the asset. For example, if the asset is a property for which a family receives rental income, the anticipated income is determined by annualizing the actual monthly rental amount received for the property; it is not based on the property's market value. However, if the asset is a savings account, the anticipated income is determined by multiplying the market value of the account by the interest rate on the account.

#### ***12.3.4.5 Withdrawal of Cash or Liquidation of Investments***

Any withdrawal of cash or assets from an investment will be included in income, except to the extent that the withdrawal reimburses amounts invested by the family. For example, when a family member retires, the amount received by the family from a retirement plan is not counted as income until the family has received payments equal to the amount the family member deposited into the retirement fund.

#### ***12.3.4.6 Jointly Owned Assets***

If an asset is owned by more than one person and any family member has unrestricted access to the asset, SLHA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners. If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, SLHA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, SLHA will prorate the asset evenly among all owners.

#### ***12.3.4.7 Assets Disposed of for Less than Fair Market Value***

Annual income includes as a current asset, any business or family asset that was disposed of for less than fair market value during the two years prior to the effective date of the examination/reexamination, except as noted below.

#### 12.3.4.7.1 Minimum Threshold

SLHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$5,000. Assets placed by the family in non-revocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

#### 12.3.4.7.2 Separation or Divorce

Assets disposed of as part of a separation or divorce settlement are not considered disposed of for less than fair market value. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation or court order.

#### 12.3.4.7.3 Foreclosure or Bankruptcy

Assets disposed of as the result of a foreclosure or bankruptcy sale are not considered disposed of for less than fair market value.

### **12.3.4.8 *Types of Assets***

#### 12.3.4.8.1 Checking and Savings Accounts

For regular checking accounts and savings accounts, cash value has the same meaning as market value. If a checking account does not bear interest, the anticipated income from the account is zero. In determining the value of a checking account, SLHA will use the closing monthly balance for the most recent available statement. In determining the value of a savings account, SLHA will use the current balance. In determining the anticipated income from an interest bearing checking or savings account, SLHA will multiply the value of the account by the current rate of interest paid on the account.

#### 12.3.4.8.2 Investment Accounts such as Stocks, Bonds, Saving Certificates, and Money Market Funds

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal or other costs of converting the asset to cash. In determining the market value of an investment account, SLHA will use the value of the account on the most recent investment report. How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), SLHA will calculate asset income based on the earnings for the most recent reporting period.

#### 12.3.4.8.3 Equity in Real Property or Other Capital Investments

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset, less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset. A family may have real property as an asset in two ways; owning the property itself and holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero. In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income. In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless SLHA determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

#### **12.3.4.9 Trusts**

A trust is a legal arrangement generally regulated by state law in which one party (the creator or grantor) transfers property to a second party (the trustee) who holds the property for the benefit of one or more third parties (the beneficiaries).

##### 12.3.4.9.1 Revocable Trusts

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

##### 12.3.4.9.2 Non-revocable Trusts

In cases where a trust is not revocable by or under the control of any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate.

#### **12.3.4.10 Retirement Accounts**

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, SLHA must know whether the money is accessible before retirement. While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset. After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate, except to the extent that it represents funds invested in the account by the family member. The balance in the account is counted as an asset only if it remains accessible to the family member. IRA, Keogh and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty.

#### **12.3.4.11 Personal Property**

Personal property held as an investment, such as gems, coin collections, antique cars, etc., is considered an asset. In determining the value of personal property held as an investment, SLHA will use the family's estimate of the value. Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset. Necessary items of personal property are not considered assets. Necessary personal property consists of only those items not held as an investment, and may include clothing, furniture, household furnishings, jewelry and vehicles, including those specially equipped for persons with disabilities.

#### **12.3.4.12 Life Insurance**

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

### **12.3.5 Periodic Payments**

Periodic payments are forms of income received on a regular basis. Periodic payments included in annual income are as follows:

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions
  - Periodic payments from retirement accounts, annuities and similar forms of investments are counted only after they exceed the amount contributed by the family
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum

#### **12.3.5.1 Lump-Sum Payments for the Delayed Start of a Periodic Payment**

Most lump-sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income. Additionally, any deferred disability benefits that are received in a lump-sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income.

#### **12.3.5.2 Treatment of Overpayment Deductions from Social Security Benefits**

SLHA will make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, SLHA will use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount.



### **12.3.6 Payments in Lieu of Earnings**

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay, are counted as income if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump-sum (as a settlement for instance), they are treated as lump-sum receipts.

### **12.3.7 Welfare Assistance**

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state or local governments.

#### ***12.3.7.1 Sanctions Resulting in the Reduction of Welfare Benefits***

SLHA will make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The requirements are summarized below. This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed.

##### **12.3.7.1.1 Covered Families**

The families covered by the sanction rule are those who receive welfare assistance or other public assistance benefits from a State or other public 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.

##### **12.3.7.1.2 Imputed Income**

When an agency imposes a sanction that reduces a family's welfare income because the family commits fraud or fails to comply with the agency's economic self-sufficiency program or work activities requirement, SLHA will include in annual income imputed welfare income. SLHA will request that the welfare agency inform SLHA when the benefits of an HCV participant family are reduced. The imputed income is the amount the family would have received if the family had not been sanctioned. This requirement does not apply to reductions in welfare benefits for the following reasons:

- The expiration of the lifetime or other time limit on the payment of welfare benefits
- A family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements
- A family member has not complied with other welfare agency requirements

##### **12.3.7.1.3 Offsets**

The amount of the imputed income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero.

### **12.3.8 Periodic and Determinable Allowances**

Annual income includes periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from organizations or from persons not residing with an assisted family.

#### ***12.3.8.1 Alimony and Child Support***

SLHA will count alimony or child support amounts awarded as part of a divorce or separation agreement. SLHA will count court-awarded amounts for alimony and child support unless SLHA verifies that the payments are not being made, and the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments. Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

#### ***12.3.8.2 Regular Contributions or Gifts***

SLHA will count as income regular monetary and nonmonetary contributions or gifts from persons not residing with an assisted family. Temporary, nonrecurring or sporadic income and gifts are not counted. Examples of regular contributions include: regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards and car payments), cash or other liquid assets provided to any family member on a regular basis. For contributions that may vary from month to month (e.g., utility payments), SLHA will include an average amount based upon past history.

### **12.3.9 Student Financial Assistance Included in Annual Income**

Annual income includes financial assistance students. Inclusion of financial assistance as annual income applies only to students who satisfy all of the following conditions:

- They are enrolled in an institution of higher education, as defined under the Higher Education Act (HEA) of 1965
- They are seeking or receiving Section 8 assistance on their own, apart from their parents, through the HCV program or the project-based voucher program
- They are under 24 years of age or they have no dependent children

For students who satisfy these three conditions, any financial assistance in excess of tuition and mandatory fees and charges received under the 1965 HEA, from a private source or from an institution of higher education, as defined under the 1965 HEA, must be included in annual income. Assistance under the Higher Education Act of 1965 includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program and Federal Work Study programs. Assistance from private sources means assistance from nongovernmental sources, including parents, guardians and other persons not residing with the student in an HCV assisted unit. Tuition will have the meaning given this term by the institution of higher education in which the student is enrolled.

## **12.4 Income Excluded from Annual Income**

### ***12.4.1 Temporary, Nonrecurring, or Sporadic Income***

Temporary, nonrecurring, or sporadic income is not included in annual income. Sporadic income is income that is not received periodically and cannot be reliably predicted.

For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed. Sporadic income includes temporary payments from the U.S. Census Bureau for employment lasting no longer than 180 days.

#### **12.4.2 Children's Earnings**

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income.

#### **12.4.3 Certain Earned Income of Full time Students**

Earnings in excess of \$480 for each full time student 18 years old or older (except for the head, spouse or co-head) are not counted. To be considered full time, a student must be considered full time by an educational institution with a degree or certificate program. Any student financial assistance not subject to inclusion is fully excluded from annual income, whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:

- Students residing with parents who are seeking or receiving Section 8 assistance
- Students who are enrolled in an educational institution that does not meet the 1965 HEA definition of institution of higher education
- Students who are over 23 and have at least one dependent child
- Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA

#### **12.4.4 Income of a Live-in Aide**

Income earned by a live-in aide is not included in annual income. (See Chapter 8 for a full discussion of live-in aides.)

#### **12.4.5 Income Earned under Certain Federal Programs**

Income from some federal programs is specifically excluded from consideration as income, including:

- Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b))
- Awards under the federal work-study program (20 U.S.C. 1087 uu)
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- Allowances, earnings and payments to participants in programs funded under the Workforce Investment Act of 1998 (29 U.S.C. 2931)

#### **12.4.6 State and Local Employment Training Programs**

Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income.

Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the training program.

SLHA defines training program as a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to, classroom training in a specific occupational skill, on-the-job training with wages subsidized by the program or basic education.

SLHA defines incremental earnings and benefits as the difference between the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program, and the total amount of welfare assistance and earnings of the family member after enrollment in the program. In calculating the incremental difference, SLHA will use as the pre-enrollment income the total annualized amount of the family member's welfare assistance and earnings reported on the family's most recently completed HUD-50058. End of participation in a training program must be reported in accordance with SLHA's interim reporting requirements.

#### **12.4.7 HUD-Funded Training Programs**

Amounts received under training programs funded in whole or in part by HUD are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, modernization, Community Development Block Grant (CDBG), HOME program and other grant funds received from HUD. To qualify as a training program, the program must meet the definition of training program provided above for state and local employment training programs.

#### **12.4.8 Earned Income Tax Credit**

Earned Income Tax Credit (EITC) refund payments are excluded from annual income. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee's payroll check.

#### **12.4.9 Periodic Payments Excluded from Annual Income**

The following periodic payments are excluded from annual income:

- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the assisted family, who are unable to live alone)
  - Kinship guardianship assistance payments (Kin-GAP) and other similar guardianship payments are treated the same as foster care payments and are likewise excluded from annual income
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home
- Amounts received under the Low-Income Home Energy Assistance Program
- Amounts received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
- Lump-sums received as a result of delays in processing Social Security and SSI payments

- Lump-sums or prospective monthly amounts received as deferred disability benefits from the Department of Veterans Affairs (VA)

#### **12.4.10 Additional Exclusions from Annual Income**

Other exclusions that have not been discussed earlier in this chapter include the following:

- Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and Workers' Compensation), capital gains and settlement for personal or property losses (but see the paragraph on payments in lieu of earnings, above)
- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member
- The special pay to a family member serving in the Armed Forces who is exposed to hostile fire
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS)
- Amounts received by a participant in other publicly assisted programs which are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era
- Adoption assistance payments in excess of \$480 per adopted child
- Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit
- Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home
- Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937, including the following:
  - The value of the allotment provided to an eligible household for coupons under the Food Stamp Act of 1977 [7 United States Code (USC) § 2017 (b)]
  - Payments received under the Alaska Native Claims Settlement Act [43 USC § 1626(c)]
  - Income derived from certain sub-marginal land of the United States that is held in trust for certain Indian tribes [25 USC § 459(e)]
  - Income derived from the disposition of funds of the Grand River Band of Ottawa Indians [Public Law (P.L.) 94-540, 90 Stat. 2503-2504]
  - The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims [25 USC § 1407-1408], or from funds held in trust for an Indian tribe by the Secretary of the Interior [25 USC § 117b, 1407]
  - Payments received on and after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the "In Re Agent Orange product" liability litigation [M.D.L. No. 381 (E.D.N.Y.)]

- Payments received under the Maine Indian Claims Settlement Act of 1980 [P.L. 96-420, 94 Stat. 1785]
- Holocaust reparations received after April 23, 1993 [42 USC § 1437a, § 1437d, § 1437n and § 3535(d)]

## **12.5 Household Composition and Income**

Income received by all family members must be counted unless specifically excluded. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit. Generally, an individual who is or is expected to be absent from the assisted unit for 180 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally, an individual who is or is expected to be absent from the assisted unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed in Chapter 8.

## **12.6 Earned Income Disallowance for Persons with Disabilities**

The Earned Income Disregard (EID) is the disallowance for increases in income as a result of employment of individual family members. SLHA will not increase the monthly rental payment of an eligible family because of increased income due to employment during the 12-month period beginning on the date in which the employment is commenced. EID encourages people with disabilities to enter the work force by not including the full value of increases in earned income for a period of time.

### **12.6.1 Eligibility**

EID applies only to individuals in families already participating in the HCV program (not at initial examination or income targeting for admission). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment
  - Previously unemployed includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours
  - The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage
- Increased earnings by a family member who is a person with disabilities and whose earnings increase during participation in an economic self-sufficiency or job-training program
  - An economic self-sufficiency program is any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families
- New employment or increased earnings by a family member who is a person with disabilities and who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months
  - If the benefits are received in the form of monthly maintenance, there is no minimum amount; or if the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies or

transportation assistance, the total amount received over the six-month period must be at least \$500

#### **12.6.2 Calculation of the Disallowance**

Calculation of EID for an eligible member of a qualified family begins with a comparison of the member's current income with his or her prior income. SLHA defines prior income or prequalifying income, as the family member's last certified income prior to qualifying for the EID. The family member's prior or prequalifying, income remains constant throughout the period that they are receiving the EID.

#### **12.6.3 Initial 12-Month Exclusion**

During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

#### **12.6.4 Second 12-Month Exclusion and Phase-In**

During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings.

#### **12.6.5 Lifetime Limitation**

EID has a 24 calendar month duration. The 24 calendar month period begins when a family member is determined to be eligible for the EID and continues without interruption for 24 consecutive months, even if the family member discontinues the employment that initially qualified the family for EID. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and HCV assistance, or if there are breaks in assistance. During the 24 calendar-month eligibility period, SLHA will schedule and conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below the prequalifying income, when one of the exclusion periods ends and at the end of the lifetime maximum eligibility period). At the end of the 24 calendar months, the EID ends regardless of how many months have been "used".

## **Chapter 13 Verifying Income**

[24 CFR Part 5, Subparts B, D, E and F; 982.516]

### **13.1 Overview**

All income from applicants and participants must be third party verified. SLHA's verification requirements are designed to maintain program integrity. This chapter explains SLHA's policies for verification of income and assets. The verification process shall be completed using the verification hierarchy discussed in Chapter 7. This chapter lists the documents required for verification in hierarchy order. All income verification processes must comply with this hierarchy.

Applicants and program participants must provide true and complete information to SLHA whenever information is requested. SLHA will obtain proper authorization from the family before requesting information from independent sources.

### **13.2 Employment Income**

Income from employment shall be verified using the following methods in the order that each method is listed below:

#### **13.2.1 EIV**

SLHA will obtain EIV income reports for each reexamination. Reports will be generated as part of the regular reexamination process. Income reports will be compared to family-provided information. If the family does not dispute the EIV employer data, SLHA will use current family provided pay stubs to calculate the projected annual income. SLHA will make every effort to obtain current and consecutive pay stubs dated within the last 60 days. If the family disputes the EIV income report, SLHA will accept UIV information, current acceptable family provided documentation and/or traditional third party verification form(s), in hierarchy order, to verify the disputed information. Employment income information is not available on EIV for applicants.

#### **13.2.2 UIV**

If employment income information is unavailable through EIV or the family disputes the employment income information in EIV, SLHA shall use UIV information as the next level of verification. The UIV sources of verification for employment income are the work number and employer provided website that contain payment history information. The applicant or participant must provide access to the employer website.

#### **13.2.3 Third Party Written Verification**

If employment income information is unavailable through EIV or UIV, SLHA shall use third party written verification in the form of third party documents provided by the family as the next level of verification. Acceptable documents (generated by a third party source) are: pay check stubs, payroll summary report, employer notice/letter of hire/termination, employer letters of expected earnings, W-2 forms, tax returns, bank statements, unemployment monetary benefit notices and other current authentic documents from a third party that verify the income amount.



#### **13.2.4 Written Third Party Verification Form**

If employment income information is unavailable through EIV, UIV or third party written verification, SLHA shall use the third party written verification form. Verification forms request the employer to specify the:

- Dates of employment
- Amount and frequency of pay
- Date of the last pay increase
- Likelihood of change of employment status and effective date of any known salary increase during the next 12 months
- Estimated income from overtime, tips or bonus pay expected during next 12 months
- Name and telephone number of the person completing the form

#### **13.2.5 Oral Verification**

If employment income information is unavailable through EIV, UIV, third-party written verification or the third party written verification form, SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### **13.2.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

### **13.3 Social Security and Supplementary Security Income**

Income from Social Security (SS) and Supplementary Security Income (SSI) shall be verified using the following methods in the order that each method is listed below:

#### **13.3.1 EIV**

SLHA will obtain EIV income reports for each reexamination. Reports will be generated as part of the regular reexamination process. Income reports will be compared to family provided information. If the family does not dispute the EIV data, SLHA will calculate the projected annual income using the EIV data. If the family disputes the EIV income report, SLHA will request a benefit award letter issued within the last 60 days. SS and SSI income information is not available on EIV for applicants.

#### **13.3.2 UIV**

There is no UIV source for SS and SSI income information.

### **13.3.3 Third Party Written Verification**

If SS and SSI income information is unavailable through EIV, SLHA will request the family provide a copy of their SS and/or SSI benefit letter dated within the last 60 calendar days, for each household member that receives SS and/or SSI benefits. The family may request a benefit verification letter from SSA's website, Social Security Online, at [www.socialsecurity.gov](http://www.socialsecurity.gov) or request a Proof of Income Letter from SSA's toll-free number (800-772-1213). This service is free and SSA will send the letter to the applicant within 10 business days. SLHA will obtain the original SSA benefit letter from the individual, make a photocopy of the document for the file and return the original document to the individual.

### **13.3.4 Written Third Party Verification Form**

There is no written third party verification form source for SS and SSI income information.

### **13.3.5 Oral Verification**

Oral verification is not an acceptable verification method for SS and SSI income information.

### **13.3.6 Self-Certification**

Self-Certification is not an acceptable verification method for SS and SSI income information.

## **13.4 Unemployment Compensation**

Income from unemployment compensation shall be verified using the following methods in the order that each method is listed below:

### **13.4.1 EIV**

SLHA will obtain EIV income reports for each reexamination. Reports will be generated as part of the regular reexamination process. Income reports will be compared to family-provided information. If the family does not dispute the EIV unemployment compensation data, SLHA will use the current tenant-provided unemployment benefit report to calculate the projected annual income. If the family disputes the EIV income report, SLHA will accept UIV information, current acceptable family provided documentation and/or traditional third party verification form(s), in hierarchy order, to verify the disputed information. Unemployment compensation income information is not available on EIV for applicants.

### **13.4.2 UIV**

The UIV source of verification for unemployment compensation income is the state's website that contains payment history information. The applicant or participant must provide access to the website.

### **13.4.3 Third Party Written Verification**

If unemployment compensation income is unavailable through UIV, SLHA shall use third party written verification in the form of third party documents provided by the family as the next level of verification. The acceptable document is the unemployment monetary benefit notice.

#### **13.4.4 Written Third Party Verification Form**

If unemployment compensation income information is unavailable through EIV, UIV or third party written verification SLHA shall use the third party written verification form to verify the benefit to the appropriate state agency. The verification form will request the date the benefit began, the amount of the benefit, anticipated changes in the benefit and the name and telephone number of the person completing the form.

#### **13.4.5 Oral Verification**

If unemployment compensation income information is unavailable through EIV, UIV, third party written verification, or the third party written verification form, SLHA shall use oral verification. SLHA shall document the telephone number, the date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### **13.4.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported unemployment compensation income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

### **13.5 Welfare Payments or General Assistance**

Income from welfare payments (known as Temporary Assistance for Needy Families or TANF) or general assistance shall be verified using the following methods in the order that each method is listed below:

#### **13.5.1 EIV**

TANF or general assistance income information is not available through EIV.

#### **13.5.2 UIV**

There is no UIV source for TANF or general assistance income information.

#### **13.5.3 Third Party Written Verification**

SLHA shall use third party written verification in the form of third party documents provided by the family to verify TANF or general assistance income information. The acceptable documents include benefit award letters, sanction notification letters, computer print outs of benefit payment history, computer print outs of EBT card history (EBT card information must be redacted from the document before the document is placed in the file) and other documents generated by the Division of Family Service (DFS) that indicate the amount of the benefit.

#### **13.5.4 Written Third Party Verification Form**

If TANF or general assistance income information is unavailable through third party written verification, SLHA shall use the third party written verification form to verify the benefit. The verification form will request the date the benefit began, the amount of the benefit, anticipated changes in the benefit, any sanctions imposed on the family and the name and telephone number of the person completing the form.

#### **13.5.5 Oral Verification**

If TANF or general assistance income information is unavailable through third party written verification or the third party written verification form, SLHA shall use oral verification. This verification should be completed by using the state's toll free number for verification of benefits. SLHA shall document the telephone number, the date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### **13.5.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

### **13.6 Alimony or Child Support Payments**

Income from alimony or child support payments shall be verified using the following methods in the order that each method is listed below:

#### **13.6.1 EIV**

Alimony or child support income information is not available through EIV.

#### **13.6.2 UIV**

The UIV sources of verification alimony or child support income information are the payment history print-out on the child support enforcement website for all cases where the child support enforcement agency is making payments to the family. If the family is not under the jurisdiction of the child support enforcement agency, the information published on the Missouri Case Net website (<https://www.courts.mo.gov/casenet/base/welcome.do>) is used to verify child support amounts. Websites that provide similar information to the Missouri website should be used as the UIV source for information for other states. The applicant or participant may need to provide the information to access the websites.

#### **13.6.3 Third Party Written Verification**

If alimony or child support income information is unavailable through UIV, SLHA shall use third party written verification in the form of third party documents provided by the family to verify income information. The acceptable documents include computer print outs of payment history, copies of court orders or cancelled checks. If the family claims that they are not receiving regular payment and the family is not under the jurisdiction of the child support enforcement agency, the family must provide a written statement from the attorney or other collection entity stating that the family has made independent efforts to collect child support payments.

#### **13.6.4 Written Third Party Verification Form**

If alimony or child support income information is unavailable through third party written verification, SLHA shall use the third party written verification form to verify alimony and child support income. The verification form will request the date the payments began, the amount of the payments, anticipated changes in the payments and the name and telephone number of the person completing the form.

#### **13.6.5 Oral Verification**

If alimony or child support income information is unavailable through third party written verification or the third party written verification form, SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### **13.6.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

### **13.7 Pensions**

Income from pensions shall be verified using the following methods in the order that each method is listed below:

#### **13.7.1 EIV**

Pension income information is not available through EIV.

#### **13.7.2 UIV**

The UIV source of verification for pension income is a website from the pension provider that contains payment history information. The applicant or participant must provide access to the website.

#### **13.7.3 Third Party Written Verification**

If pension income information is unavailable through UIV, SLHA shall use third party written verification in the form of third party documents provided by the family to verify the information. The acceptable documents include award letters, computer print outs of payment history, bank statements, account statements, check stubs or other documents generated from the pension provider that state the amount of the pension payment.

#### **13.7.4 Written Third Party Verification Form**

If pension income information is unavailable through third party written verification, SLHA shall use the third party written verification form to verify the income. The verification form will request the date the payments began, the amount of the payment, anticipated changes in the payments and the name and telephone number of the person completing the form.

#### **13.7.5 Oral Verification**

If pension income information is unavailable through third party written verification or the third party written verification form, SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### **13.7.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

### **13.8 Net Income from a Business**

Net income from a business shall be verified using the following methods in the order that each method is listed below:

#### **13.8.1 EIV**

Business income information is not available through EIV.

#### **13.8.2 UIV**

There is no UIV source for business income information.

#### **13.8.3 Third Party Written Verification**

In order to verify the net income from a business, SLHA will rely primarily on IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months. The acceptable documents include IRS Form 1040, including Schedule C (Small Business), Schedule E (Rental Property Income), Schedule F (Farm Income) (Note: If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense computed using straight-line depreciation rules is necessary to calculate income) and audited or un-audited financial statement(s) of the business. Other documents that may be used to verify net business income are manifests, appointment books, ledgers, bank statements and receipts. These documents will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available. Credit reports and loan applications may also be used to verify the income.

#### **13.8.4 Written Third Party Verification Form**

There is no written third party verification form source for business income information.

#### **13.8.5 Oral Verification**

If business income information is unavailable through third party written verification, SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### **13.8.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

## **13.9 Recurring Gifts**

Recurring gifts shall be verified using the following methods in the order that each method is listed below:

### **13.9.1 EIV**

Recurring gifts income information is not available through EIV.

### **13.9.2 UIV**

There is no UIV source for recurring gifts income information.

### **13.9.3 Third Party Written Verification**

SLHA shall use third party written verification in the form of third party documents provided by the family to verify the information. The acceptable document is a letter from the gift donator that states who is providing the gifts, the value of the gifts and the regularity (dates) of the gifts.

### **13.9.4 Written Third Party Verification Form**

There is no written third party verification form source for recurring gifts income information.

### **13.9.5 Oral Verification**

If recurring gift income information is unavailable through third party written verification SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

### **13.9.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

## **13.10 Income from Assets**

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

Income from savings account interest and dividends shall be verified using the following methods in the order that each method is listed below:

#### **13.10.1.1 EIV**

Savings account interest and dividends income information is not available through EIV.

#### **13.10.1.2 UIV**

The UIV source of verification for savings account interest and dividends income is a website from the financial institution for the account that contains payment history information. The applicant or participant must provide access to the website.

#### ***13.10.1.3 Third Party Written Verification***

If savings account interest and dividends income information is unavailable through UIV, SLHA shall use third party written verification in the form of third party documents provided by the family to verify the information. The acceptable documents include account statements, passbooks, certificates of deposit, broker's statements showing value of stocks or bonds and the earnings credited to the family or IRS Form 1099 from the financial institution.

#### ***13.10.1.4 Written Third Party Verification Form***

If savings account interest and dividends income information is unavailable through third party written verification, SLHA shall use the third party written verification form to verify the income. The verification form will request the amount of the earnings in the last 12 months, anticipated changes in the amount of earnings and the name and telephone number of the person the form.

#### ***13.10.1.5 Oral Verification***

If asset income information is unavailable through third party written verification or third party written verification form SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### ***13.10.1.6 Self-Certification***

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

### **13.10.2 Interest Income from Mortgages or Similar Arrangements**

Interest income from mortgages or similar arrangements shall be verified using the following methods in the order that each method is listed below:

#### ***13.10.2.1 EIV***

Interest income from mortgages or similar arrangements information is not available through EIV.

#### ***13.10.2.2 UIV***

The UIV source of verification for interest income from mortgages or similar arrangements is a website from the financial institution for the account that contains payment history information. The applicant or participant must provide access to the website.



#### ***13.10.2.3 Third Party Written Verification***

If interest income from mortgages or similar arrangements is unavailable through UIV, SLHA shall use third party written verification in the form of third party documents provided by the family to verify the information. Acceptable documents include a letter from an accountant, attorney, real estate broker, the buyer or a financial institution stating interest due for the next 12 months. A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown or amortization schedule showing interest for the 12 months.

#### ***13.10.2.4 Written Third Party Verification Form***

If interest income from mortgages or similar arrangements information is unavailable through third party written verification, SLHA shall use the third party written verification form to verify the income. The verification form will request the amount of the earnings in the last 12 months, anticipated changes in the amount of earnings and the name and telephone number of the person completing the form.

#### ***13.10.2.5 Oral Verification***

If interest income from mortgages or similar arrangements information is unavailable through third party written verification or third party written verification form, SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### ***13.10.2.6 Self-Certification***

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file with the reason third party verification was not available.

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

Net rental income shall be verified using the following methods in the order that each method is listed below:

#### ***13.10.3.1 EIV***

Net rental income is not available through EIV.

#### ***13.10.3.2 UIV***

There is no UIV source of verification for net rental income.

#### ***13.10.3.3 Third Party Written Verification***

SLHA shall use third party written verification in the form of third party documents provided by the family to verify the net rental income information. The acceptable documents include IRS Form 1040 with Schedule E (Rental Income), copies of latest rent receipts, leases, other documentation of rent amounts or documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities and bank statements or amortization schedules showing monthly interest expense and lessee's written statement verifying rent payments to the family.

#### ***13.10.3.4 Written Third Party Verification Form***

The third party written verification form method is not available for the verification of net rental income.

#### ***13.10.3.5 Oral Verification***

The oral verification form is not available for the verification of net rental income.

#### ***13.10.3.6 Self-Certification***

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

### **13.10.4 Valuing Family Assets**

To determine the current cash value of the family's assets (the net amount the family would receive if the asset were converted to cash), SLHA will use the following methods in the order that each method is listed below:

#### ***13.10.4.1 EIV***

Information relating to the value of family assets is not available through EIV.

#### ***13.10.4.2 UIV***

There is no UIV source of verification for valuing family assets.

#### ***13.10.4.3 Third Party Written Verification***

SLHA shall use third party written verification in the form of third party documents provided by the family to verify the value of family assets. The acceptable documents include letters, or documents from a financial institution or broker, passbooks, checking account statements, certificates of deposit, bonds or financial statements completed by a financial institution or broker. Acceptable documents also include quotes from a stockbroker or realty agent as to the net amount the family would receive if they liquidated securities or real estate, or real estate tax statements if the approximate current market value can be deduced from assessment. In addition, acceptable documents are financial statements for business assets, copies of closing documents showing the selling price and the distribution of the sales proceeds or appraisals of personal property held as an investment.

#### ***13.10.4.4 Written Third Party Verification Form***

If information on the value of family assets is unavailable through third party written verification, SLHA shall use the third party written verification form to verify the value. The verification form will request the value of the asset, anticipated changes in the value of the asset and the name and telephone number of the person completing the form.

#### ***13.10.4.5 Oral Verification***

If information on the value of family assets is unavailable through third party written verification or the third party written verification form, SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### **13.10.4.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported income from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

#### **13.10.5 Assets Disposed of for Less than Fair Market Value During Two Years Preceding Effective Date of Certification or Recertification**

SLHA will obtain the family's certification as to whether any member has disposed of assets for less than fair market value (FMV) during the two years preceding the effective date of the eligibility determination or reexamination. If the family certifies that they have disposed of assets for less than FMV, verification or certification is required that shows: all assets disposed of for less than FMV, the date they were disposed of, the amount the family received and the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

### **13.11 Student Financial Assistance**

Any financial assistance in excess of amounts received for tuition and mandatory fees and charges that a person attending an institution of higher education receives under the Higher Education Act of 1965 from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children, or is residing with parents who are seeking or receiving HCV assistance. For a student subject to having a portion of their student financial assistance included in annual income, SLHA will use the following methods of verification in the order that each method is listed below:

#### **13.11.1 EIV**

Information on student financial assistance is not available through EIV.

#### **13.11.2 UIV**

The UIV source of verification for student financial assistance is a website of the institution of higher learning that contains the source and the amount of financial assistance and the student's status. The applicant or participant must provide access to the website.

#### **13.11.3 Third Party Written Verification**

If the financial assistance information is not available on UIV, SLHA shall use third party written verification in the form of third party documents provided by the family to verify the information. Acceptable documents include statements from the institution of higher learning, financial assistance documents, award letters, tuition statements and documents that indicate the student's status.

#### **13.11.4 Written Third Party Verification Form**

If information on student financial assistance is unavailable through third party written verification, SLHA shall use the third party written verification form to verify the information. The verification form will request the source and the amount of financial assistance, the student's status and the name and telephone number of the person completing the form.

#### **13.11.5 Oral Verification**

If information on student financial assistance is unavailable through third party written verification or the third party written verification form, SLHA shall use oral verification. SLHA shall document the telephone number, date and time of the telephone call and the name of the person contacted, along with the confirmed information in the family's file.

#### **13.11.6 Self-Certification**

If none of the other verification techniques are successful in obtaining the necessary information, SLHA will accept an affidavit or notarized statement of reported student financial assistance from the family. This verification method should be used as a last resort. When this verification method is used, SLHA must document in the family's file the reason third party verification was not available.

### **13.12 Zero Income Status**

SLHA will check UIV sources and/or request information from third party sources to verify that certain forms of income, such as unemployment benefits, TANF, SSI, etc., are not being received by families claiming to have zero annual income.

## **Chapter 14 Adjustments to Annual Income**

### **14.1 Overview**

This chapter defines the allowable expenses and deductions to be subtracted from annual income to determine the family's adjusted annual income. SLHA will use the methods as set forth in this chapter to determine accurate adjustments to income to ensure that families are not paying more or less for rent than their obligation. SLHA must verify all adjustments to annual income. Verification requirements are provided in Chapters 7 and 15.

### **14.2 Dependent Deduction**

SLHA will deduct \$480 from the annual income for each dependent. A dependent is any family member other than the head, spouse or co-head who is under the age of 18 or who is 18 or older and is a person with disabilities or a full time student. Foster children, foster adults and live-in aides are never dependents.

### **14.3 Elderly or Disabled Family Deduction**

SLHA will deduct \$400 from the annual income for any elderly or disabled family. An elderly family is a family whose head, spouse, co-head or sole member is 62 years of age or older. A disabled family is a family whose head, spouse, co-head or sole member is a person with disabilities. Only a single \$400 will be taken per family.

### **14.4 Medical Expenses Deduction**

SLHA will deduct unreimbursed medical expenses from the annual income to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income. The medical expense deduction is only for families in which the head, spouse or co-head is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are included in the determination of the amount of the deduction.

#### **14.4.1 Definition of Medical Expenses**

Medical expenses means expenses of medical needs, including medical insurance premiums, that are anticipated during the period for which annual income is computed and that are not covered by insurance. SLHA will use the guidance in IRS Publication 502, *Medical and Dental Expenses*, to determine the costs that qualify as medical expenses. Allowable medical expenses include the following:

- Services of medical professionals
- Surgery and medical procedures that are necessary, legal, non-cosmetic
- Services of medical facilities
- Hospitalization, long-term care, and in-home nursing services
- Prescription medicines and insulin, but not non-prescription medicines even if recommended by a doctor
- Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails)
- Substance abuse treatment programs
- Psychiatric treatment
- Ambulance services and some costs of transportation related to medical expenses

- The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)
- Cost and continuing care of necessary service animals
- Medical insurance premiums or the cost of a health maintenance organization (HMO)

The above list provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.

## **14.5 Disability Assistance Expenses Deduction**

SLHA will deduct reasonable expenses for attendant care and auxiliary apparatus for a disabled family member if they: are necessary to enable a family member 18 years or older to work, are not paid to a family member or reimbursed by an outside source, in combination with any medical expenses, exceed three percent of annual income, and do not exceed the earned income received by the family member who is enabled to work.

### **14.5.1 Earned Income Limit on the Disability Assistance Expense Deduction**

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work. The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family's request, SLHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities and any special needs of the person with disabilities that might determine which family members are enabled to work.

The disability expense deduction is capped by the amount of earned income received by family members who are 18 years of age or older and who are able to work because of the expense. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

### **14.5.2 Eligible Disability Expenses**

#### ***14.5.2.1 Eligible Auxiliary Apparatus***

Auxiliary apparatus are items such as wheelchairs, ramps, adaptations to vehicles or special equipment to enable a blind person to read or type, but only if these items are directly related to permitting the disabled person or other family member to work. Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming and other continuing costs of care, will be included.

#### **14.5.2.2 Eligible Attendant Care**

Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments and readers for persons with visual disabilities. Attendant care expenses will be included for the period that the person enabled to work is employed, plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible. If the care attendant also provides other services to the family, SLHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

No disability assistance expenses may be deducted for payments to a member of an assisted family. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

#### **14.5.3 Necessary and Reasonable Expenses**

Disability expenses must be necessary and reasonable. The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source. SLHA will determine the reasonableness of the expenses based on typical costs of care or apparatus in the area.

### **14.6 Families That Qualify for Both Medical and Disability Assistance Expenses**

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, SLHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

### **14.7 Childcare Expense Deduction**

SLHA will deduct reasonable expenses for childcare for the amount anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed or to further his or her education and only to the extent such amounts are not reimbursed. In the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income. Childcare expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family's household. However, childcare expenses for foster children that are living in the assisted family's household are included when determining the family's childcare expenses.

## **14.7.1 Qualifying for the Deduction**

### ***14.7.1.1 Determining Who Is Enabled to Pursue an Eligible Activity***

The family must identify the family member(s) enabled to pursue an eligible activity. In evaluating the family's request, SLHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

### ***14.7.1.2 Seeking Work***

If the childcare expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member's efforts to obtain employment at each reexamination. The fact that a family member is receiving unemployment compensation is sufficient evidence that the family member is seeking employment. The deduction may be reduced or denied if the family member's job search efforts are not commensurate with the childcare expense being allowed by SLHA.

### ***14.7.1.3 Furthering Education***

If the childcare expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full time student, but the time spent in educational activities must be commensurate with the childcare claimed.

### ***14.7.1.4 Being Gainfully Employed***

If the childcare expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that childcare is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.



## **Chapter 15 Verifying Adjustments to Annual Income**

### **15.1 Overview**

SLHA's verification requirements are designed to maintain program integrity. This chapter explains the detailed verification requirements for adjustments to annual income. General verification requirements are in Chapter 7 and detailed information on verifying eligibility and annual income can be found in Chapters 9 and 13.

### **15.2 Dependent Deductions**

To allow a dependent deduction, SLHA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse or co-head of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide and is a person with a disability or a full time student

#### **15.2.1 Verifying Age and Family Relationship**

SLHA shall verify age and family relationship using the verification method outlined in Chapter 9.

#### **15.2.2 Verifying Full Time Student Status**

Full time student status must be verified at each reexamination. To verify full time student status, SLHA will use the following methods in the order that each method is listed below:

##### ***15.2.2.1 Third Party Written Verification***

SLHA shall use third party written verification in the form of third party documents provided by the family as the preferred method to verify full time student status. The acceptable documents include letters from the school verifying status, schedules, report cards, award letters, computer print outs, or other documents generated by the school that indicates the student's status.

##### ***15.2.2.2 Written Third Party Verification Form***

If student status information is unavailable through third party written verification, SLHA shall use the third party written verification form to verify the student's status. The verification form will ask the school to verify the student's status, and the name and telephone number of the person completing the form.

### **15.3 Elderly/Disabled Family Deduction**

To allow an elderly/disabled family deduction, SLHA must verify that the head, spouse or co-head is 62 years of age or older, or a person with disabilities. SLHA will verify age and disability relationship using the verification method outlined in Chapter 9.

### **15.4 Medical Expense Deduction**

To allow a medical expense deduction, SLHA must verify the following:

- The household is eligible for the deduction
- The costs to be deducted are qualified medical expenses
- The expenses are not paid for or reimbursed by any other source
- The amount of the expenses

#### **15.4.1 Eligible Household**

To allow a medical expense deduction, SLHA must verify that the head, spouse or co-head is 62 years of age or older, or a person with disabilities. SLHA shall verify age and disability status using the verification method outlined in Chapter 9.

#### **15.4.2 Qualified Expenses**

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses as outlined in Chapter 14.

#### **15.4.3 Unreimbursed Expenses**

To be eligible for the medical expenses deduction, the costs must not be reimbursed by another source. SLHA will require the family to certify that the medical expenses are not paid or reimbursed to the family from any source.

#### **15.4.4 Amount of Expenses**

To verify the amount of medical expenses, SLHA will use the following methods in the order that each method is listed below:

##### ***15.4.4.1 EIV***

EIV provides data on Medicare insurance premium for some participants. If the information is available on EIV, the data will indicate if the participant or a third party is paying the premium. If the participant is paying the premium, the amount will be included in the medical expense deduction calculation. All medical expense deduction information is not available in EIV; other eligible expenses must be verified using other methods.

##### ***15.4.4.2 Third Party Written Verification***

If the data is not available in EIV, SLHA shall use third party written verification in the form of third party documents provided by the family as the preferred method to verify medical expenses. The acceptable documents include computer print outs listing expenses, receipts, spend-down documents, letters from insurance companies or agencies listing premiums, or other documents generated by a third party listing unreimbursed expenses.

##### ***15.4.4.3 Written Third Party Verification Form***

If medical expense information is unavailable through third party written verification, SLHA shall use the third party written verification form to the health care provider to verify the expenses. The verification form will list the unreimbursed expenses and the name and telephone number of the person completing the form.

### **15.5 Disability Assistance Expenses**

To allow a disability assistance expenses deduction, SLHA must verify the following:

- The family member for whom the expense is incurred is a person with disabilities
- The expense permits a family member, or members to work
- The expense is not reimbursed from another source
- The amount of the expense

#### **15.5.1 Family Member is a Person with Disabilities**

To allow a disability assistance expense deduction, SLHA must verify that the costs for attendant care or auxiliary apparatus expense are associated with a person with disabilities. SLHA shall verify disability status using the verification method outlined in Chapter 9.

#### **15.5.2 Family Member(s) Permitted to Work**

SLHA will request the family provide a document from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work. If the family does not provide the document, SLHA will send a third party verification form to the knowledgeable medical professional to obtain the information. If third party verification has been attempted and is either unavailable or proves unsuccessful, SLHA will attempt to obtain oral verification of the information. If SLHA is unable to get the information from a third party source, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance) to work.

#### **15.5.3 Unreimbursed Expenses**

To be eligible for the disability assistance expense deduction, the costs must not be reimbursed by another source. SLHA will require the family to certify that the medical expenses are not paid or reimbursed to the family from any other source.

#### **15.5.4 Amount of Expenses**

To verify the amount of disability assistance expense, SLHA will use the following methods in the order that each method is listed below:

##### ***15.5.4.1 Third Party Written Verification***

SLHA shall use third party written verification in the form of third party documents provided by the family as the preferred method to verify disability assistance expense. The acceptable documents include receipts, cancelled checks, billing statements for purchase of auxiliary apparatus, other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months, or other documents generated by a third party listing unreimbursed expenses.

##### ***15.5.4.2 Written Third Party Verification Form***

If disability assistance expense information is unavailable through third party written verification, SLHA shall use the third party written verification form to the rehabilitation agency or knowledgeable medical professional to verify the expenses. The verification form will list the unreimbursed expenses and the name and telephone number of the person completing the form.

### **15.6 Childcare Expenses**

To allow a childcare expense deduction, SLHA must verify the following:

- The child is eligible for care
- The costs claimed are not reimbursed
- The costs enable a family member to pursue an eligible activity
- The costs are reasonable
- The amount of the expense

### **15.6.1 Eligible Child**

To be eligible for the childcare deduction, the costs must be incurred for the care of a child under the age of 13. SLHA shall verify age using the verification method outlined in Chapter 9.

### **15.6.2 Unreimbursed Expense**

To be eligible for the childcare deduction, the costs must not be reimbursed by another source. The provider or family will be required to certify that the childcare expenses are not paid by or reimbursed to the family from any other source.

### **15.6.3 Pursuing an Eligible Activity**

#### ***15.6.3.1 Seeking Work***

SLHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment).

#### ***15.6.3.2 Furthering Education***

SLHA will request third party documentation to verify that the person permitted to further his or her education by the childcare is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

#### ***15.6.3.3 Gainful Employment***

SLHA will use the third party information gathered as part of the income verification requirements outlined in Chapter 13 to verify employment.

### **15.6.4 Reasonableness of Expenses**

SLHA will verify the reasonableness of childcare costs by comparing the actual costs the family incurs to the Missouri Department of Social Services, Family Support Division published reimbursement standards. If the family presents a justification for costs that exceed typical costs in the area, SLHA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

### **15.6.5 Amount of Expenses**

To verify the amount of childcare expenses, SLHA will use the following methods in the order that each method is listed below:

#### ***15.6.5.1 Third Party Written Verification***

SLHA shall use third party written verification in the form of third party documents provided by the family as the preferred method to verify childcare expense. The acceptable documents include receipts, cancelled checks, billing statements that show payment amounts, computer print outs showing payment amount or other documents generated by a third party listing unreimbursed expenses.

#### ***15.6.5.2 Written Third Party Verification Form***

If childcare expense information is unavailable through third party written verification, SLHA shall use the third party written verification form provided to the childcare provider to verify the expenses. The verification form will list the names and ages of the children, the amount of unreimbursed expenses, the number of hours per week of care, the tax identification or social security number of the provider and the name and telephone number of the person completing the form.

## Chapter 16 Subsidy Standards

[24 CFR 982.54(d)(9)]

### 16.1 Overview

SLHA establishes subsidy standards for the determination of family unit size. These standards provide for a minimum commitment of subsidy while avoiding overcrowding. This chapter explains the subsidy standards that will be used to determine the voucher size (family unit size) for various sized families when they are selected from the waiting list. In addition, this chapter outlines SLHA's procedures when a family's size changes or a family selects a unit size that is different from the voucher.

### 16.2 Determining Family Unit (Voucher) Size [24 CFR 982.402]

For each family, SLHA determines the appropriate number of bedrooms under SLHA subsidy standards and enters the family unit size on the voucher that is issued to the family. The family unit size does not dictate the size of unit the family must actually lease, nor does it determine who within a household will share a bedroom/sleeping room. Generally, SLHA assigns one bedroom to two people within the following guidelines:

- The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding
- The subsidy standards must be consistent with space requirements under the Housing Quality Standards (HQS)
- The subsidy standards must be applied consistently for all families of like size and composition
- Persons of different generations (other than spouses) and unrelated adults should be allocated a separate bedroom
- Separate bedrooms should be allocated for persons of the opposite sex (other than adults who have a spousal relationship and children under the age of three)
- Foster children will be included in determining unit size only if they will be in the unit for more than six months
- Live-in aides will generally be provided a separate bedroom; no additional bedrooms are provided for the aide's family
- Space may be provided for a child who is away at school, but who lives with the family during school recesses
- Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military
- A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family
- Unless a live-in aide resides with a family, the family unit size for any family consisting of a single person must be either a zero or one-bedroom unit

SLHA will reference the following chart in determining the appropriate voucher size for a family:

**Guidelines For Determining Voucher Size**

**Persons in Household**

<b>Voucher Size</b>	<b>Minimum Number</b>	<b>Maximum Number</b>
0 Bedroom	1	1
1 Bedroom	1	2
2 Bedrooms	2	4
3 Bedrooms	3	6
4 Bedrooms	4	8
5 Bedrooms	6	10
6 Bedrooms	8	12

### **16.3 Exceptions to Subsidy Standards**

SLHA may grant an exception to the subsidy standard if the family needs an additional bedroom for medical equipment or a family member needs a separate bedroom for reasons related to a disability, medical or health condition. The family must request any exception to the subsidy standards in writing. The request must explain the need or justification for a larger family unit size and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional (e.g., doctor or health professional). The family's continued need for an additional bedroom due to special medical equipment must be re-verified at annual reexamination. SLHA will use the standards used for reasonable accommodation outlined in Chapter 2 to make the determination and then notify the family of its determination.

SLHA may grant other exceptions to the subsidy standards if SLHA determines the exception is justified by the age, sex, health, disability, relationship of the family members or other personal circumstances. SLHA must document the reasons for granting such an exception in the family's file.

The voucher size is determined prior to the briefing by comparing the family composition to SLHA subsidy standards. Members of the family residing in the unit must be approved by SLHA. The family must obtain approval of any additional family member before the new member occupies the unit, except for additions by birth, adoption or court-awarded custody, in which case the family must inform SLHA within 30 days.

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

### **16.4 Exception to Subsidy Standard Regulatory Requirements for Carr Square Only**

For Carr Square only, existing residents in the development may receive project-based assistance based on the unit size they are occupying instead of family size. A regulatory waiver of 24 CFR §983.259 was granted by HUD on August 21, 2008 to allow for this exception. The waiver requires existing residents to move into appropriate sized units when such units become available and requires that as units are vacated, units must be filled with appropriate size families.

## **16.5 Unit Size Selected**

The family may select a different size dwelling unit than that listed on the voucher. If the family makes such a choice, the following conditions apply:

- Subsidy Limitation: The family unit size as determined for a family under SLHA subsidy standard for a family assisted in the HCV program is based on SLHA's adopted payment standards. The payment standard for a family shall be the lower of:
  - The payment standard amount for the family unit size; or
  - The payment standard amount for the unit size rented by the family
- Utility Allowance: The utility allowance used to calculate the gross rent is based on the actual size of the unit for which the voucher is issued, irrespective of the size of the unit rented by the family, with an exemption for families with a person with disabilities.
- Housing Quality Standards (HQS): The family may lease an otherwise acceptable unit with fewer or greater bedrooms as long as the unit meets acceptable HQS space requirements.

## **Chapter 17 Family Briefing and Voucher Issuance**

[24 CFR 982.301, 982.302]

### **17.1 Overview**

SLHA will conduct mandatory briefings for applicant families. The briefing provides a broad description of owner and family responsibilities, explains SLHA's procedures, and includes instructions on how to lease a unit. This chapter describes how oral briefings will be conducted, specifies what written information will be provided to families and lists the family's obligations under the program. In addition, this chapter describes the voucher issuance process.

### **17.2 Family Briefing**

SLHA will give each applicant family an oral briefing and provide the family with a briefing packet containing written information about the program. Families will be briefed in groups. Generally, the head of household is required to attend the briefing. At least one adult family member must attend the briefing session. Families that attend group briefings and still need individual assistance will be referred to an appropriate SLHA staff person. Briefings will be conducted in English.

#### **17.2.1 Notification and Attendance**

SLHA will invite families to attend the briefing when they are notified of their eligibility for assistance. The notice will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing. Applicants who fail to attend a scheduled briefing will automatically be scheduled for another briefing. SLHA will notify the family of the date and time of the second scheduled briefing. If the notice is returned by the post office with no forwarding address, the applicant will be denied assistance and their name will be removed from the waiting list. If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the forwarding address. Applicants who fail to attend two scheduled briefings, without the prior approval of SLHA, will be denied assistance and removed from the waiting list.

#### **17.2.2 Oral Briefing**

SLHA shall provide the following information at each briefing session:

- How the Housing Choice Voucher program works
- Family and owner responsibilities
- Where the family can lease a unit, including renting a unit inside or outside SLHA's jurisdiction
- For families eligible under portability, an explanation of portability (SLHA cannot discourage eligible families from moving under portability)
- For families living in high-poverty census tracts, an explanation of the advantages of moving to areas outside of high-poverty concentrations

#### **17.2.3 Briefing Packet**

In addition to the oral briefing, SLHA shall provide each family with a briefing packet that contains the following information:

- The term of the voucher and SLHA's policies on any extensions or suspensions of the term



- A description of the method used to calculate the housing assistance payment for a family, including how SLHA determines the payment standard for a family, how SLHA determines total tenant payment for a family, and information on the payment standard and utility allowance schedule
- An explanation of how SLHA determines the maximum allowable rent for an assisted unit
- Where the family may lease a unit
- For a family that qualifies to lease a unit outside SLHA jurisdiction under portability procedures, the information must include an explanation of how portability works
- The HUD-required tenancy addendum, which must be included in the lease
- The form the family must use to request approval of tenancy and a description of the procedure for requesting approval for a tenancy
- A statement of SLHA policy on providing information about families to prospective owners
- SLHA subsidy standards, including when and how exceptions are made
- The HUD brochure on how to select a unit
- The HUD pamphlet on lead-based paint entitled *Protect Your Family from Lead in Your Home*
- Information on federal, state and local equal opportunity laws and a copy of the housing discrimination complaint form, including information on how to fill out and how to file a housing discrimination complaint
- Via a web-based application, a list of owners or other parties willing to lease to assisted families or help families find units, including outside areas of poverty or minority concentration (SLHA provides families access to the internet in its main lobby)
- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to SLHA
- Family obligations under the program
- Grounds on which SLHA may terminate assistance for a participant family because of family action or failure to act
- SLHA informal hearing procedures, including when SLHA is required to offer a family the opportunity for an informal hearing and how to request the hearing
- Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction
- An explanation of how portability works, including a list of portability contact persons for neighboring PHAs with names, addresses and telephone numbers
- Information about the protections afforded by the Violence Against Women Act (VAWA) to victims of domestic violence, dating violence, sexual assault and stalking
- "Is Fraud Worth It?" (Form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse
- "What You Should Know about EIV," a guide to the Enterprise Income Verification (EIV) system published by HUD

### **17.3 Family Obligations**

Family obligations include responsibilities the family is required to fulfill, as well as prohibited actions to participate in the HCV program. SLHA will inform families of these obligations during the oral briefing and the same information will be included in the briefing packet.

When the family's unit is approved and the HAP contract is executed, the family must meet those obligations in order to continue participating in the program. Violation of any family obligation may result in termination of assistance, as described in Chapter 29. A family's obligations under the HCV program are as follows:

- The family must:
  - Supply any information that SLHA or HUD determines to be necessary, including evidence of citizenship or eligible immigration status and information for use in a regularly scheduled reexamination or interim reexamination of family income and composition (All information the family supplies must be true and complete)
  - Disclose and verify social security numbers, and sign and submit consent forms for obtaining information
  - Supply any information requested by SLHA to verify that the family is living in the unit or information related to family absence from the unit
  - Promptly notify SLHA in writing when the family is away from the unit for an extended period of time in accordance with SLHA policies
  - Allow SLHA to inspect the unit at reasonable times and after reasonable notice
  - Notify SLHA and the owner in writing before moving out of the unit or terminating the lease Use the assisted unit for residence by the family (The unit must be the family's only residence)
  - Promptly notify SLHA in writing of the birth, adoption or court-awarded custody of a child
  - Request SLHA written approval to add any other family member as an occupant of the unit
  - Promptly notify SLHA in writing if any family member no longer lives in the unit.
  - Give SLHA a copy of any owner eviction notice
  - Pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease
- The family (including each family member) must not:
  - Own or have any interest in the unit (other than in a cooperative or the owner of a manufactured home leasing a manufactured home space)
  - Commit any serious or repeated violation of the lease
  - Commit fraud, bribery or any other corrupt or criminal act in connection with the program
  - Engage in drug-related criminal activity or violent criminal activity, or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises
  - Sublease or let the unit, or assign the lease or transfer the unit
  - Receive housing choice voucher program housing assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program
  - Damage the unit or premises (other than damage from ordinary wear and tear) or permit any guest to damage the unit or premises

- Receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother or any member of the family unless SLHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities
- Engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises

## **17.4 Voucher Issuance [24 CFR 982.302]**

### **17.4.1 General**

Once an applicant family has completed the mandatory briefing, SLHA will issue the family a Housing Choice Voucher (form HUD-52646). The voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies and includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher is evidence that SLHA has determined the family to be eligible for the program and expects to have funding available to subsidize the family if the family finds an approvable unit. SLHA also issues vouchers for special admission or when a participant family wants to move to another unit. The policies for issuing those vouchers are described in Chapters 25 and 32.

### **17.4.2 Sufficient Funding**

Prior to issuing any vouchers, SLHA will determine whether it has sufficient funding. If funds are insufficient to house the family at the top of the waiting list, SLHA will wait until it has adequate funds before it calls another family from the list. SLHA may, if it experiences funding shortfalls in a given calendar year, stop issuing vouchers and may recall vouchers from families that are searching for units. When SLHA determines it has sufficient funding, it will resume issuing vouchers.

If SLHA is not assisting the required number of HUD-Veterans Affairs Supportive Housing (VASH) families when it resumes issuing vouchers, it must issue vouchers first to these special purpose voucher categories of families on its waiting list until SLHA is assisting its required number of VASH families. Should SLHA have to terminate families from its HCV program due to a funding shortfall, VASH families that comprise the required number of families served must be last to be terminated.

## **17.5 Voucher Term, Extensions, and Suspensions**

### **17.5.1 Voucher Term [24 CFR 982.303]**

The initial voucher term is 120 calendar days. The family must submit a Request for Tenancy Approval (RFTA) and proposed lease within the 120-day period unless SLHA grants an extension.

### **17.5.2 Extensions of Voucher Term [24 CFR 982.303(b)]**

A family may submit a written request for an extension of the voucher time period. All requests for extensions must be received prior to the expiration date of the voucher. SLHA may grant an extension of up to 120 days for the following reasons:

- Extenuating circumstances such as hospitalization or a family emergency for an extended period of time, which has affected the family's ability to find a unit within the initial 120-day period (Verification is required)
- SLHA is satisfied that the family has made a reasonable effort to locate a unit throughout the initial 120-day period
- The family was prevented from finding a unit due to disability accessibility requirements or large size bedroom unit requirement

SLHA will decide whether to approve or deny an extension request and will provide the family notice of its decision. A decision by SLHA not to approve an extension or suspension of a voucher term is not subject to an informal review for applicants or informal hearing for participants.

#### **17.5.3 Suspensions of Voucher Term [24 CFR 982.303(c)]**

When a RFTA and proposed lease is received by SLHA, the term of the voucher will be suspended while SLHA processes the request. Suspension means stopping the clock on a family's voucher term from the time a family submits the RFTA until the time SLHA approves or denies the request.

#### **17.5.4 Expiration of Voucher Term**

If an applicant family's voucher term or extension expires before the family has submitted a RFTA, the family is no longer eligible for assistance. If the family still desires assistance, the family must reapply when the waiting list is open.

# Chapter 18 Request for Tenancy Approval

[24 CFR 982.305]

## 18.1 Overview

After SLHA issues the family a voucher, they may search for a unit anywhere within the jurisdiction of SLHA or outside of SLHA's jurisdiction if they qualify for portability. The family must find an eligible unit under the program rules, with an owner who is willing to enter into a Housing Assistance Payments (HAP) Contract with SLHA. This chapter defines the types of eligible housing, processing of Requests for Approval of Tenancy (RFTA) and lease requirements. The unit must also comply with SLHA's policies for initial inspections, owner eligibility and rent reasonableness. These policies are discussed in Chapters 19, 20 and 21.

## 18.2 Eligible Units

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any available rental dwelling unit on the market in SLHA's jurisdiction. This includes the dwelling unit they are currently occupying.

### 18.2.1 Ineligible Units

SLHA will not assist a unit if the unit is a public housing or Indian housing unit; a unit receiving project-based assistance under Section 8 of the 1937 Housing Act (42 U.S.C. 1437f); nursing homes, board and care homes or facilities providing continual psychiatric, medical or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical, mental and similar public or private institutions or a unit occupied by its owner or by a person with any interest in the unit.

### 18.2.2 SLHA-Owned Units

Otherwise eligible units that are owned or substantially controlled by SLHA may also be leased in the HCV program. In order for a SLHA-owned unit to be leased, the unit must not be ineligible housing and SLHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a SLHA-owned unit without any pressure or steering by SLHA.

### 18.2.3 Duplicative Assistance

A family may not receive the benefit of HCV assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance
- Other Section 8 assistance (including other tenant based assistance)
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974;
- Section 101 rent supplements
- Section 236 rental assistance payments;
- Tenant based assistance under the HOME Program
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration)
- Any local or state rent subsidy
- Section 202 supportive housing for the elderly
- Section 811 supportive housing for persons with disabilities

- Section 202 projects for non-elderly persons with disabilities (Section 162 assistance)
- Any other duplicative federal, state or local housing subsidy, as determined by HUD
- For this purpose, housing subsidy does not include the housing component of a welfare payment, a social security payment received by the family or a rent reduction because of a tax credit.

### **18.3 Requesting Tenancy Approval**

Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request that SLHA approve the assisted tenancy in the selected unit.

#### **18.3.1 Documents Required for Tenancy Approval**

The owner and the family must submit the following documents to SLHA to begin the tenancy approval process.

- Completed Request for Tenancy Approval (RFTA) – Form HUD-52517
- Owner/Agent Information Form
- Proof of Property Ownership
- Completed W-9 Form

The RFTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent and the requested beginning date of the lease, necessary for SLHA to determine whether to approve the assisted tenancy in this unit. The RFTA requires owners to certify that they are not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless SLHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the household. In addition, for units constructed prior to 1978, the RFTA requires owners to either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector or 2) attach a lead-based paint disclosure statement.

The RFTA must be submitted no later than the expiration date stated on the voucher. The RFTA must be signed by both the family and the owner, and may be submitted to SLHA by either the family or the owner. The owner may submit the RFTA on behalf of the family. The family may not submit, and SLHA will not process, more than one RFTA at a time.

#### **18.3.2 Review of the Documents Required for Tenancy Approval**

SLHA will review the documents required for tenancy approval for completeness. If the RFTA is incomplete (including lack of signature by family, owner or both), SLHA will notify the owner of the deficiencies. Because of the time sensitive nature of the tenancy approval process, SLHA will attempt to communicate with the owner and family by phone, fax or email. SLHA will use mail when the parties cannot be reached by phone, fax or email.

#### **18.3.3 Owner Participation**

SLHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where SLHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest or other owner related issues. No owner has a right to participate in the HCV program. Chapter 19 discusses owner qualification to participate in the HCV program.

#### **18.3.4 Disapproval of Request for Tenancy Approval**

If SLHA determines that the RFTA cannot be approved for any reason, the owner and the family will be notified. SLHA will instruct the owner and the family of the steps that are necessary to approve the request. If the owner does not promptly re-submit the RFTA, it will be disapproved. SLHA will furnish another RFTA form to the family, along with the notice of disapproval so that the family can continue to search for eligible housing.

## **Chapter 19 Owners**

[24 CFR 982.54, 982.306, 982.452, 982.453]

### **19.1 Overview**

Owners play a central role in the HCV program by supplying decent, safe and sanitary housing for participating families. The term owner refers to any person or entity with the legal right to lease or sublease a unit to a participant in the HCV program. The term owner includes a principal or other interested party, such as a designated agent of the owner. Owners have numerous responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease and complying with various contractual obligations. This chapter is an overview of policies for owners participating in the HCV program.

### **19.2 Owner Recruitment and Retention**

SLHA will conduct owner outreach to ensure that owners are familiar with the program and its advantages. SLHA will actively recruit property owners with property located outside areas of poverty and minority concentration. These outreach strategies will include:

- Distributing printed material about the program to property owners and managers
- Contacting property owners and managers by phone or in-person
- Holding owner recruitment/information meetings at least monthly
- Participating in community based organizations comprised of private property and apartment owners and managers
- Developing working relationships with owners and real estate broker associations

SLHA provides group briefings for new owners, and any other owners who wish to attend, at least once per month. All new owners receive a personal invitation by mail. Prospective owners are also welcome. The purpose of the briefing is to assure successful owner participation in the program. The briefing covers the responsibilities and roles of the three parties. SLHA will provide owners with prompt and professional service in order to maintain an adequate supply of available housing throughout the jurisdiction of SLHA.

### **19.3 Basic HCV Program Requirements**

Owners that wish to lease a unit to an eligible HCV family or to help the HCV family find a unit may use a web-based apartment locator service provide free of charge. SLHA maintains several computers in the lobby to provide HCV families with access to locator site.

When a family approaches an owner to apply for tenancy, the owner is responsible for screening the family and deciding whether to lease to the family, just as the owner would with any potential tenant. SLHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. SLHA will provide the owner with the family's current and previous address (as shown in SLHA's records) and the name of the owner (if known to SLHA) at the family's current and prior address upon written request.

The family and the owner must jointly complete a RFTA, which constitutes the family's request for assistance in the specified unit, which documents the owner's willingness to lease to the family and to follow the program's requirements.



When submitted to SLHA, this document is the first step in the process of obtaining approval for the family to receive the HCV assistance it will need in order to occupy the unit. See Chapter 18 for more details on Request for Tenancy Approval policies and process.

The owner must be qualified to participate in the program. Some owners are precluded from participating in the program or from renting to a particular family, either because of their past history with this or another federal housing program or because of certain conflicts of interest. Owner qualifications are discussed later in this chapter.

The selected unit must meet HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. SLHA will inspect the owner's dwelling unit at various stages of HCV program participation to ensure that the unit continues to meet HQS requirements. See Chapter 20 for a discussion of the HQS standards, as well as the process for HQS inspections at initial lease-up and throughout the family's tenancy.

SLHA will determine that the cost of the unit is reasonable. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See Chapter 21 for a discussion of requirements and policies on rent reasonableness, rent comparability and the rent reasonableness determination process.

At initial lease-up of a unit, SLHA will determine that the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income. See Chapter 22 for a discussion of the calculation of family income, family share of rent and HAP.

The dwelling lease must comply with all program requirements. Owners are encouraged to use their standard leases when renting to an assisted family. However, the HCV program requires that the Tenancy Addendum, which helps standardize the tenancy requirements for all assisted families, be added word-for-word to that lease. See Chapter 23 for a discussion of the dwelling lease and tenancy addendum, including lease terms and provisions.

SLHA and the owner enter into a formal contractual relationship by executing the Housing Assistance Payment (HAP) Contract (Form HUD-52641). The HAP contract format is prescribed by HUD. See Chapter 23 for a discussion of the HAP contract execution process.

## **19.4 Owner Responsibilities**

The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease. More specifically, the owner is responsible for:

- Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit and deciding if the family is suitable for tenancy of the unit (screening)
- Maintaining the unit in accordance with HQS, including performance of ordinary and extraordinary maintenance
- Complying with equal opportunity requirements
- Preparing and furnishing to SLHA information required under the HAP contract
- Collecting from the family any security deposit, the family's contribution to rent (that part of rent to owner not covered by the housing assistance payment from SLHA) and any charges for unit damage by the family

- Paying for utilities and services (unless paid by the family under the lease)
- Making modifications to a dwelling unit occupied or to be occupied by a disabled person
- Complying with the Violence Against Women Reauthorization Act (VAWA) when screening prospective HCV families or terminating the tenancy of an HCV family
- Enforcing family obligations under the lease
  - The owner must give SLHA a copy of any owner eviction notice at the same time the owner notifies the family.
  - The owner should provide timely notice to SLHA of serious or repeated violations of the lease by the family. SLHA may use such information to terminate assistance to the family or to take other appropriate action such as deny the family permission to move with continued assistance. While SLHA diligently attempts to enforce the family's obligations under the program, SLHA is not the owner's management agent and will not assume the duty of enforcing the owner's lease. Should the owner fail to timely notify SLHA of lease violations by the family, SLHA may, in its sole discretion, disregard the information provided by the owner. For purposes of this subsection, timely notification shall mean that the alleged lease violation has occurred within the immediately preceding 60 days of the notification to SLHA.

## **19.5 Owner Qualifications**

SLHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where SLHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest or other owner-related issues. No owner has a right to participate in the HCV program.

### **19.5.1 Owners Barred from Participation**

SLHA will not approve the assisted tenancy if SLHA has been informed that the owner has been debarred, suspended or subject to a limited denial of participation under 2 CFR part 2424. HUD may direct SLHA not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements, or if such an action is pending.

### **19.5.2 Leasing to Relatives**

SLHA will not approve a RFTA if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family. SLHA may make an exception as a reasonable accommodation for a family member with a disability. The owner is required to certify that no such relationship exists. This restriction applies at the time that the family receives assistance under the HCV program for occupancy of a particular unit. Current contracts on behalf of owners and families that are related may continue, but any new leases or contracts for these families may not be approved.

### **19.5.3 Conflict of Interest**

SLHA will not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- Any present or former member, or officer, of SLHA (except a resident commissioner)
- Any employee of SLHA, or any contractor, subcontractor or agent of SLHA, who formulates policy or who influences decisions with respect to the HCV programs or with respect to a particular HAP Contract

- It is not a conflict if an employee, contractor, subcontractor or agent of SLHA who has no involvement with the HCV program, or the HAP Contract in question
- Any public official, member of a governing body, or state or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

SLHA may submit a waiver request for HUD to waive the conflict of interest requirements, except for members of Congress, for good cause. In considering whether to request a conflict of interest waiver from HUD, SLHA will consider the reasons for waiving the requirement; the existence of alternative housing available to families; the individual circumstances of a particular family; the specific duties of individuals whose positions present a possible conflict of interest; the nature of any financial investment in the property and plans for disclosure/divestiture; and the possible appearance of impropriety. Where SLHA has requested a conflict of interest waiver, SLHA may not execute the HAP contract until HUD has approved the waiver request.

#### **19.5.4 Owner Actions That May Result in Disapproval of a Tenancy Request**

SLHA may refuse to approve a request for tenancy if the owner has committed any of a number of different actions. If SLHA disapproves a request for tenancy because an owner is not qualified, it may not terminate the HAP contract for any assisted families that are already living in the owner's properties unless the owner has violated the HAP contract for those units. SLHA will refuse to approve a request for tenancy if SLHA becomes aware that any of the following are true:

- The owner has violated obligations under a HAP contract under Section 8 of the 1937 Housing Act
- The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- The owner has engaged in any drug-related criminal activity or any violent criminal activity
- The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program
- The owner has a history or practice of failing to terminate tenancy of units assisted under HCV or any other federally assisted housing program for activity engaged in by the family, any member of the household, a guest or another person under the control of any member of the household that:
  - Threatens the right to peaceful enjoyment of the premises by other residents
  - Threatens the health or safety of other residents, or employees of SLHA, or owner employees or other persons engaged in management of the housing
  - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, persons residing in the immediate vicinity of the premises
  - Is involved drug-related criminal activity or violent criminal activity
- The owner has a history or practice of renting units that fail to meet state or local housing codes

- The owner has not paid state or local real estate taxes, fines, or assessments

In considering whether to disapprove owners for any of the reasons listed above, SLHA will consider any mitigating factors. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of families to lease units under the program, health and safety of participating families, among others. Upon consideration of such circumstances, SLHA may, on a case-by-case basis, choose to approve an owner.

#### **19.5.5 Legal Ownership of Unit**

SLHA will only enter into a contractual relationship with the legal owner of a qualified unit. No tenancy will be approved without acceptable documentation of legal ownership.

### **19.6 Non-Discrimination**

The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status or disability in connection with any actions or responsibilities under the HCV program and the HAP contract with SLHA. The owner must cooperate with SLHA and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with SLHA. See Chapter 2 for a more thorough discussion of Fair Housing and Equal Opportunity requirements in the HCV program.

### **19.7 Change in Ownership**

A change in ownership requires execution of a new contract and lease. SLHA may approve the assignment of the HAP contract at the old owner's request. SLHA may approve the assignment, since they are a party to the contract. SLHA may deny approval of assignment of the contract for any of the reasons listed in this chapter. SLHA will process a change of ownership only upon the written request of the new owner and only if accompanied by documentation showing the transfer of title, recorded deed and the Tax Identification Number or Social Security number of the new owner. SLHA must receive a written request by the old owner in order to change the HAP payee and/or the address to which payment is to be sent.

### **19.8 Owner Debts to SLHA**

If SLHA determines that the owner has retained housing assistance payments the owner is not entitled to, SLHA may reclaim the amounts from future housing assistance payments owed the owner for any units under contract. If future housing assistance payments are insufficient to reclaim the amounts owed, the owner must repay the debt within 30 days of the notification of the debt. If the owner fails to repay the debt within the required time, SLHA will ban the owner from future participation in the program until the debt is paid and pursue other modes of collection.

## **Chapter 20 Housing Quality Standards and Inspections**

[24 CFR 982.401]

### **20.1 Overview**

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

SLHA must inspect each unit under contract at least annually. SLHA will also perform quality control inspections to maintain SLHA's required standards and to assure consistency in SLHA's program. This chapter describes SLHA's policies for performing HQS and other types of inspections, and SLHA standards for the timeliness of repairs. It also explains the responsibilities of the owner and family and the consequences of non-compliance with HQS requirements for both families and owners.

### **20.2 General HQS Requirements**

HQS includes the following areas:

#### **20.2.1 Sanitary Facilities**

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition, and adequate for personal cleanliness and disposal of human waste.

#### **20.2.2 Food Preparation and Refuse Disposal**

The dwelling unit must have space and equipment suitable for the family to store, prepare and serve food in a sanitary manner.

#### **20.2.3 Space and Security**

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

#### **20.2.4 Thermal Environment**

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required, but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units.

#### **20.2.5 Illumination and Electricity**

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of family preference.

#### **20.2.6 Structure and Materials**

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present and protective railings are required when porches, balconies and stoops are 30 inches or more off the ground. The elevator servicing the unit must be working (if there is one). Manufactured homes must have proper tie-down devices capable of surviving wind loads.

#### **20.2.7 Interior Air Quality**

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one operable window (able to be open) or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

#### **20.2.8 Water Supply**

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

#### **20.2.9 Lead-Based Paint**

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective family before the lease is signed
- Provide all prospective families with "Protect Your Family from Lead in Your Home"
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by SLHA
- Notify family each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance, ask each family to report deteriorated paint

#### **20.2.10 Access**

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

#### **20.2.11 Site and Neighborhood**

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin or other dangers to the health, safety and general welfare of the occupants.

### **20.3 ADA Acceptability Criteria and Exceptions to HQS**

SLHA adheres to the acceptability criteria as provided in the HQS regulations and local code with the following additions and modifications:

#### **20.3.1 Additions**

##### **20.3.1.1 Security**

If window security bars or security screens are present on the emergency exit window, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

#### **20.3.1.2 Bedrooms**

Bedrooms in basements or attics are not allowed unless they meet local code requirements and must have adequate ventilation and emergency exit capability. Windows must be at least 44 inches (3 ft. 8 in) from the floor. All bedrooms must have an emergency exit/entry leading to the exterior. All bedrooms must be provided with heat, directly or indirectly, have two working outlets or one working outlet and one permanently installed light fixture. All bedrooms must have privacy doors if the local code requires. Minimum bedroom ceiling height is 7'6" or local code, whichever is greater. Sloping ceilings may not slope to lower than five feet in the 70 square foot area.

#### **20.3.1.3 Kitchen**

The dwelling unit must have an oven and a stove or range, and a refrigerator of appropriate size for the family. A microwave oven may be substituted for a family-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the family agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized families in the building or premises.

#### **20.3.1.4 Smoke Detectors**

Smoke detectors must be present on each level and be installed according to the National Fire Protection Association (NFPA). If the dwelling unit is occupied by a hearing or visually impaired person, smoke detectors must have an alarm system designed for the hearing and visually impaired. Owners are not responsible for providing and replacing old batteries for battery powered units.

### **20.3.2 Modifications**

Under the Fair Housing Act of 1988, an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the owner may negotiate a restoration agreement that requires the family to restore the unit and if necessary, to ensure the likelihood of restoration, may require the family to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the family. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction or alteration of facilities contained in the Uniform Federal Accessibility Standards (UFAS).

## **20.4 Emergency Conditions**

When SLHA inspects an occupied unit, SLHA will notify the owner or the family (whichever is responsible) of any emergency conditions which will require corrections. The responsible party must correct emergency conditions within 24 hours of SLHA notification.

The following are considered emergency conditions:

- Lack of security for the unit

- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling
- Natural or LP gas or fuel oil leaks
- Contaminated water supply
- Any electrical problem or condition that could result in shock or fire
- Absence of a working heating system between October 15<sup>th</sup> and April 15<sup>th</sup>
- Utilities not in service
- No hot water
- Obstacles that prevent safe entrance or exit from the unit
- Absence of a functioning toilet in the unit
- Inoperable or no smoke detectors
- Absence of working air conditioning (when owner supplied) when outside temperature is above 90 degrees Fahrenheit

If an owner fails to correct emergency conditions as required by SLHA, the housing assistance payment will be abated and the HAP contract may be terminated. If a family fails to correct a family caused emergency condition as required by SLHA, SLHA may terminate the family's assistance. The owner will be required to repair an inoperable smoke detector within 24 hours unless SLHA determines that the family has intentionally disconnected it (by removing batteries or other means). In this case, the family will be required to repair the smoke detector within 24 hours.

## **20.5 Inspection Process Overview**

### **20.5.1 Types of Inspections**

SLHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- Initial Inspections
- Annual Inspections
- Special Complaint Inspections
- Quality Control Inspections
- Special Needs/Medical Aid Inspection

### **20.5.2 Inspection of SLHA-Owned Units**

SLHA must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a SLHA-owned unit. A SLHA-owned unit is defined as a unit that is owned by SLHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by SLHA). The independent agency must communicate the results of each inspection to the family and SLHA. The independent agency must be approved by HUD and may be a unit of the City of St. Louis government.

### **20.5.3 Inspection Costs**

SLHA will not charge the family or owner for unit inspections. In the case of inspections of SLHA-owned units, SLHA may compensate the independent agency from ongoing administrative fees for inspections performed. SLHA and the independent agency will not charge the family any fee or charge for the inspection.



#### **20.5.4 Notice and Scheduling**

The family must allow SLHA to inspect the unit at reasonable times with reasonable notice. Both the family and the owner will be given reasonable notice of all inspections. Except in the case of an emergency, reasonable notice is considered to be not less than 48 hours. Inspections are generally scheduled between 8:00 a.m. and 5:00 p.m. on business days. In the case of an emergency, SLHA will give as much notice as possible, given the nature of the emergency.

#### **20.5.5 Owner and Family Inspection Attendance**

When a family occupies the unit at the time of inspection, an adult family member (18 years of age or greater) must be present for the inspection. The presence of the owner or the owner's representative is encouraged, but is not required. At initial inspection of a vacant unit, SLHA will inspect the unit in the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

### **20.6 Initial HQS Inspection**

#### **20.6.1 Timing of Initial Inspections**

The unit must pass HQS before the effective date of the lease and HAP contract. To the extent practicable, such inspection and determination should be completed within 15 days of the submission of a completed Request for Tenancy Approval (RFTA). The 15-day period is suspended for any period during which the unit is not available for inspection.

#### **20.6.2 Inspection Results and Re-inspections**

If any HQS violations are identified, the owner will be notified of the deficiencies. Owner shall notify SLHA when the deficiencies are corrected, but in no case longer than 30 days after the notification of deficiencies. If requested by the owner, the time frame for correcting the deficiencies may be extended by SLHA for good cause. SLHA should re-inspect the unit as soon as practical after the owner notifies SLHA that the required corrections have been made. If the owner does not request a re-inspection in 30 days, or any SLHA-approved extension, or the unit fails HQS at the time of the re-inspection, SLHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit.

#### **20.6.3 Utilities**

At initial lease-up, the owner is responsible for demonstrating that all utilities are in working order, including those utilities that the family will be responsible for paying. If gas service is not available for testing at the time of the initial inspection, SLHA will allow the gas service to be placed in service after the unit has met all other HQS requirements. SLHA will confirm that gas service is operational before the HAP contract is executed by SLHA.

#### **20.6.4 Appliances**

If the family is responsible for supplying the stove and/or the refrigerator, SLHA will allow the stove and refrigerator to be placed in the unit after the unit has passed all other HQS requirements. SLHA will confirm the appliances are in the unit and working.

### **20.7 Biennial HQS Inspections**

Each unit under HAP contract must have a biennial inspection no more than 24 months after the most recent inspection. If an adult family member or adult age 18 or over cannot be present on the scheduled date, the family should request that SLHA reschedule the inspection.

SLHA and the family will agree on a new inspection date that generally should take place within 15 days after the originally scheduled date. If the family misses the first scheduled appointment without requesting a new inspection date, SLHA will automatically schedule a second inspection. If the family misses two scheduled inspections without SLHA approval, SLHA will consider the family to have violated its obligation to make the unit available for inspection. This will result in termination of the family's assistance in accordance with Chapter 29.

## **20.8 Special/Complaint Inspections**

SLHA will conduct a special inspection if the owner, family or another source reports HQS violations in the unit. During a special inspection, SLHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs. If the annual inspection has been scheduled or is due within 120 days of the date the special inspection is scheduled, the special inspection will be categorized as an annual and all annual procedures will be followed.

## **20.9 Special Needs/Medical Aid Inspections**

The purpose of the Special Needs/Medical Inspections is to ensure that each unit has the designated medical equipment present identified on the SLHA S83-E Certification of Medical Need (CMN) form. These inspections are conducted annually by the Inspection Supervisor or other qualified person. Under this category, inspections are limited to those items identified on the SLHA S83-E CMN form.

## **20.10 Quality Control Inspections**

A SLHA supervisor or other qualified person will conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections, and that there is consistency in the application of the HQS. The unit sample must include only units that have been inspected within the preceding three months. The selected sample will include each type of inspection (initial, annual and special), inspections completed by each inspector and units from a cross-section of neighborhoods.

## **20.11 Inspection Results and Re-inspections for Units Under HAP Contract**

### **20.11.1 Notification of Corrective Actions**

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, SLHA will determine whether or not the failure is an emergency condition and whether the family or owner is responsible. When emergency conditions are identified, SLHA will immediately notify both parties by telephone, fax or e-mail. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of SLHA's notice.

When failures that are not an emergency are identified, SLHA will send the owner and the family a written notification of the inspection results within five business days of the inspection. The written notice will specify who is responsible for correcting the violation and the time frame within which the failure must be corrected. Deficiencies shall be corrected in no more than 30 days unless SLHA grants an extension.

The notice of inspection results will inform the owner that if emergency conditions are not corrected within 24 hours, and non-emergency conditions are not corrected within the specified time frame (or any SLHA-approved extension), the owner's HAP will be abated in accordance

with SLHA policy. Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any SLHA-approved extension, if applicable) the family's assistance will be terminated in accordance with SLHA policy.

#### **20.11.2 Extensions**

For emergency conditions, SLHA may grant a short extension of not more than 48 hours if the party cannot be notified or it is impossible to complete the repair within the 24-hour period. For conditions that are not an emergency, SLHA may grant an exception to the required time frames for correcting the violation if the owner submits the request in writing and SLHA determines that an extension is appropriate.

Extensions will be granted in writing in cases where SLHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

- A repair cannot be completed because required parts or services are not available
- A repair cannot be completed because of weather conditions
- A reasonable accommodation is needed because the family includes a person with disabilities
- A repair cannot be completed because of the family's failure to cooperate with the owner

The length of the extension will be determined on a case-by-case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. The necessary repairs must be made within 15 calendar days once the weather conditions have subsided.

#### **20.11.3 Re-inspections**

SLHA will conduct a re-inspection immediately following the end of the corrective period of any SLHA approved extension. The family and owner will be given reasonable notice of the re-inspection appointment. If the deficiencies have not been corrected by the time of the re-inspection, SLHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with SLHA policies. If SLHA is unable to gain entry to the unit in order to conduct the scheduled re-inspection, SLHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance.

### **20.12 Owner Responsibility**

The owner is responsible for maintaining the unit in accordance with HQS that are not identified as family responsibility. The owner is not responsible for vermin infestation if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may evict for serious or repeated violation of the lease. The inspector will make a determination of owner or family responsibility during the inspection. If the owner fails to maintain the dwelling, SLHA must take prompt and vigorous action to enforce the owner's obligations.

### **20.12.1 HAP Abatement**

If the owner fails to request a re-inspection before the time period for making repairs expires, a Notice of Abatement will be sent to the owner. The abatement will be effective the date after the due date that repairs were to be made. The notice of abatement shall state that the family is not responsible for SLHA's portion of rent that is abated. If no re-inspection request is received by the 16<sup>th</sup> day of abatement, SLHA may issue a voucher to the family.

The abatement of assistance will remain in place until the owner requests a re-inspection or 15 days, whichever is earlier. SLHA will inspect abated units within 10 days of the owner's notification that the work has been completed. SLHA will advise owners of their responsibility to notify the family of when the re-inspection will take place. If the unit passes re-inspection, assistance will be restored as of the date of the inspection request. No retroactive payments will be made to the owner for the period of time the rent was abated and the unit did not comply with HQS.

### **20.12.2 HAP Contract Termination**

If the owner is responsible for repairs and fails to correct all the deficiencies cited prior to the end of the abatement period, the owner will be sent a HAP Contract Termination Notice. Prior to the effective date of the termination, the abatement will remain in effect. If repairs are completed before the effective termination date, SLHA may rescind the termination if the family chooses to remain in the unit. Only one HQS inspection will be conducted after the termination notice is issued.

## **20.13 Family Responsibilities**

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain family-supplied appliances
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear
  - Normal wear and tear is defined as items which could not be charged against the family's security deposit under state law or court practice
- Rendering a smoke detector inoperable

If the family fails to correct a HQS violation within the period allowed (and any extensions), SLHA may terminate the family's assistance. The owner's rent will not be abated for items which are the family's responsibility. If the family is responsible, but the owner carries out the repairs, the owner may bill the family for the reasonable cost of the repairs.

## **20.14 Violation of HQS Space Standards**

If SLHA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, SLHA will issue the family a new voucher and the family must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, SLHA will terminate the HAP contract in accordance with its terms.

## **Chapter 21 Rent Reasonableness**

[24 CFR 982.507]

### **21.1 Overview**

No HAP contract will be approved until SLHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program. Reasonable rent is defined as rent that does not exceed the rent charged for comparable, unassisted units in the same market area. Owners cannot charge more for assisted units than for comparable units on the premises. This chapter explains the policies for determining whether a unit's rent is reasonable.

### **21.2 When Rent Reasonableness Determinations are Required**

#### **21.2.1 Owner Initiated Rent Determinations**

SLHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment. At initial occupancy, SLHA will determine whether the proposed rent is reasonable before a HAP contract is signed. The owner must not change the rent during the initial lease term.

After the initial occupancy period, the owner may request a rent adjustment in accordance with the HAP. All rent adjustment requests should be submitted 60 days prior to the HAP anniversary date. SLHA will determine whether the requested increase is reasonable upon receiving the request from the owner. The owner will be notified of the determination in writing. All rent adjustments will be effective the first of the month on the anniversary date of the HAP. For rent increase requests after initial lease-up, SLHA may request owners to provide information about the rents charged for unassisted units on the premises if the premises includes more than four units. Rent increases will not be approved unless failed items identified by the most recent HQS inspection have been corrected.

#### **21.2.2 SLHA Initiated Rent Reasonableness Determinations**

SLHA must make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 5 percent decrease in the Fair Market Rent (FMR) that goes into effect at least 60 days before the contract anniversary date. SLHA will make a determination of rent reasonableness at any time after the initial occupancy period if SLHA determines that the initial rent reasonableness determination was in error or SLHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect. HUD also may direct SLHA to make a determination at any other time.

#### **21.2.3 SLHA Owned Units**

In cases where an HCV family is receiving assistance in a SLHA owned unit, SLHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements and to assist the family in negotiating the contract rent when the family requests assistance. A SLHA-owned unit includes a unit owned by an entity substantially controlled by SLHA. The independent agency must communicate the results of the rent reasonableness determination to the family and SLHA. The independent agency must be approved by HUD and may be a unit of the City of St. Louis government.

#### **21.2.4 Units Assisted by Low-Income Housing Tax Credits or Assistance under HUD's Home Program**

For a unit receiving Low-Income Housing Tax Credits (LIHTC) or receiving assistance under HUD's HOME Program a rent comparison with unassisted units is not required if the rent does not exceed the rent for LIHTC or HOME assisted units in the development not receiving HCV assistance. If the rent requested by the owner exceeds the LIHTC rents, SLHA will perform a rent comparability study and the rent shall not exceed the lesser of the reasonable rent as determined in the rent comparability study or the payment standard for the unit size.

### **21.3 How Comparability Is Established**

#### **21.3.1 Factors to Consider**

SLHA will take into consideration the factors listed below when determining rent comparability. SLHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size, including the number of rooms and/or square footage of rooms
- The type of unit, including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units, including the quality of the original construction, maintenance and improvements made
- Amenities, services and utilities included in the rent

#### **21.3.2 Units that Must Not Be Used as Comparables**

Comparable units must be unassisted units. Therefore, units that receive some form of federal, state or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized, through federal, state or local tax credits, units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance. These requirements may not apply to units receiving project-based assistance as discussed in Chapter 31.

#### **21.3.3 Rents Charged for Other Units on the Premises**

The RFTA (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than four units. By accepting payment each month, the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give SLHA information regarding rents charged for other units on the premises.

### **21.4 SLHA Rent Reasonableness Methodology**

#### **21.4.1 How Market Data is Collected**

SLHA will use a web-based service to obtain data on market rents in SLHA's jurisdiction. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood and identifiable natural or man-made boundaries.

The data will be updated on an ongoing basis and rent information that is more than 12 months old will be eliminated from the database.

#### **21.4.2 How Rents are Determined**

The rent for a unit proposed for HCV assistance will be compared to the rent charged for three comparable units in the same market area. Because units may be similar, but not exactly like the unit proposed for HCV assistance, SLHA may make adjustments to the range of prices to account for these differences. The adjustment will reflect the local market. Not all differences in units require adjustments (e.g., the presence or absence of a garbage disposal may not affect the rent in some market areas). Adjustments may vary by unit type (e.g., a second bathroom may be more valuable in a three-bedroom unit than in a two-bedroom).

SLHA will notify the owner of the rent it can approve based upon its analysis of rents for comparable units. The owner may submit information about other comparable units in the market area. SLHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within five business days of SLHA's request for information or the owner's request to submit information.

## Chapter 22 Total Tenant Payment and Family Share

[24 CFR 5.520, 5.628, 5.630, 982.305, 982.505, 982.514, 982.517]

### 22.1 Rent and Subsidy Calculations

#### 22.1.1 Total Tenant Payment Formula

Total Tenant Payment (TTP) is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income
- 10 percent of the family's monthly gross income
- A minimum rent

The amount that a family pays for rent and utilities (the family's share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

#### 22.1.2 Minimum Rent

Minimum rent is \$50. The minimum rent refers to the TTP and includes the combined amount a family pays towards rent and/or utilities when it is applied. SLHA may exempt families from minimum rent when a financial hardship exists, as defined below.

#### 22.1.3 Family Share

If a family chooses a unit with a gross rent (rent to owner, plus an allowance for tenant-paid utilities) that exceeds SLHA's applicable payment standard, the family will pay more than the TTP and at initial occupancy SLHA may not approve the tenancy if it would require the family's share to exceed 40 percent of the family's monthly adjusted income.

#### 22.1.4 SLHA Subsidy

SLHA will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of:

- The applicable payment standard for the family, minus the family's TTP
- The gross rent for the family's unit, minus the TTP

#### 22.1.5 Utility Reimbursement

When SLHA subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. SLHA will make utility reimbursements to the family.

### 22.2 Financial Hardships Affecting Minimum Rent

#### 22.2.1 Overview

SLHA will grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship. The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If SLHA determines that a hardship exists, the family's share is the highest of the remaining components of the family's calculated TTP.



### **22.2.2 Definition of Financial Hardship**

Financial hardship includes the following situations:

- The family has lost eligibility for, or is awaiting an eligibility determination for, a federal, state or local assistance program
  - This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits, but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996. A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent. For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following implementation of assistance, if approved, or the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.
- The family would be evicted because it is unable to pay the minimum rent
  - For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent to the owner or tenant-paid utilities
- The family's income has decreased because of changed family circumstances, including the loss of employment
- A death has occurred in the family. In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income)
- The family has experienced other circumstances determined by SLHA

### **22.2.3 Implementation of Hardship Exemption**

#### ***22.2.3.1 Determination of Hardship***

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent. When a family requests a financial hardship exemption, SLHA will suspend the minimum rent requirement beginning the first of the month following the family's request. When the minimum rent is suspended, the family's share reverts to the highest of the remaining components of the calculated TTP.

SLHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term. SLHA defines temporary hardship as a hardship expected to last 90 days or less. Long-term hardship is defined as a hardship expected to last more than 90 days. SLHA will make the determination of hardship within 30 calendar days.

#### ***22.2.3.2 No Financial Hardship***

If SLHA determines there is no financial hardship, SLHA will reinstate the minimum rent and require the family to repay the amounts suspended. SLHA will require the family to repay the suspended amount within 30 calendar days of SLHA's notice that a hardship exemption has not been granted.

#### **22.2.3.3 Temporary Hardship**

If SLHA determines that a qualifying financial hardship is temporary, SLHA will suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption. At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay SLHA the amounts suspended. SLHA may enter into a repayment agreement in accordance with the policies found in Chapter 28 of this plan. SLHA also may determine that circumstances have changed and the hardship is now a long-term hardship.

#### **22.2.3.4 Long-Term Hardship**

If SLHA determines that the financial hardship is long-term, SLHA will exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

#### **22.2.3.5 End of the Hardship**

The hardship period ends when any of the following circumstances apply:

- At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.
- For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.
- For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

### **22.3 Applying Payment Standards**

#### **22.3.1 General Requirements**

SLHA's schedule of payment standards is used to calculate housing assistance payments for HCV families. The payment standard for a family is the lower of:

- The payment standard for the family's unit size, which is defined as the appropriate number of bedrooms for the family under SLHA's subsidy standards; or
- The payment standard for the size of the dwelling unit rented by the family

SLHA will pay a monthly housing assistance payment (HAP) for a family that is the lower of:

- The payment standard for the family, minus the family's TTP, or
- The gross rent for the family's unit, minus the TTP

If during the term of the HAP contract for a family's unit the owner lowers the rent, SLHA will recalculate the HAP.

### **22.3.2 Changes in Payment Standards**

When SLHA revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards.

#### **22.3.2.1 Decreases**

If the amount on the payment standard schedule is decreased during the term of the HAP contract, the lower payment standard will be used beginning at the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard.

#### **22.3.2.2 Increases**

If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard. Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination.

#### **22.3.2.3 Changes in Family Unit Size**

Irrespective of any increase or decrease in the payment standard, if the family's unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

## **22.4 Applying Utility Allowances**

SLHA has established utility allowance schedules to use in determining the family's share and SLHA subsidy. SLHA 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 SLHA subsidy standards. In cases where the unit size leased exceeds the family unit size as determined under the SLHA subsidy standards as a result of a reasonable accommodation, SLHA will use the appropriate utility allowance for the size of the dwelling unit actually leased by the family. If the utility allowance changes, either increases or decreases, the new allowance will be applied at the next annual reexamination. See Chapter 4 for information on SLHA's utility allowance schedules.

## **22.5 Prorated Assistance for Mixed Families**

A mixed family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. SLHA will prorate the assistance provided to a mixed family. SLHA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible. For example, if SLHA subsidy for a family is calculated at \$500 and two of four family members are ineligible, SLHA subsidy would be reduced to \$250.

## **Chapter 23 Housing Assistance Payment Contract, Lease and Payments to Owners**

[24 CFR 982.451]

### **23.1 Overview**

If SLHA has given approval for the family of the assisted tenancy, the owner and SLHA execute the Housing Assistance Payment (HAP) contract. The HAP contract is a written agreement between SLHA and the owner of the dwelling unit occupied by a HCV assisted family. The contract spells out the owner's responsibilities under the program, as well as SLHA's obligations. Under the HAP contract, SLHA agrees to make housing assistance payments to the owner on behalf of a specific family occupying a specific unit. The HAP contract is used for all HCV program tenancies, except for assistance under the homeownership program, and assistance to families that own a manufactured home and lease the space. To participate in the HCV program, the family and the owner must execute and enter into a written dwelling lease for the assisted unit. This written lease is a contract between the family and the owner; SLHA is not a party to this contract. This chapter describes SLHA policies for the HAP contract, the lease and payments to owners.

### **23.2 HAP Contract Contents**

The HAP contract format is specified by HUD, specifically Form HUD-52641. The HAP contract contains three parts:

- Part A of the contract includes basic contract information about the name of the family, address of the contract unit, names of all household members, first and last dates of initial lease term, amount of initial monthly rent to owner, amount of initial housing assistance payment, utilities and appliances to be supplied by owner and the family, and signatures of SLHA and owner
- Part B is the body of the contract. It describes in detail program requirements affecting the owner and the owner's roles and responsibilities under the HCV program
  - Most of the requirements contained in Part B of the HAP contract are outlined elsewhere in this Plan
- Part C of the contract includes the Tenancy Addendum (Form HUD-52641-A)
  - The addendum sets forth the tenancy requirements for the program and the composition of the household, as approved by SLHA
  - The family has the right to enforce the Tenancy Addendum against the owner
  - The terms of the Tenancy Addendum prevail over any other provisions of the lease

### **23.3 Execution of the HAP Contract**

SLHA will not pay any housing assistance payment to the owner until the HAP contract has been executed. SLHA will make its best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, SLHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract) to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

The owner and SLHA will execute the HAP contract. SLHA will not execute the HAP contract until the owner has submitted the following:

- IRS form W-9
- Current owner/agent mailing address (not a Post Office box)
- Proof of ownership of the property
- A copy of the Management Agreement, if a management agent manages the property
- A home or business number
- A copy of the executed dwelling lease between the owner and the assisted family

## **23.4 Lease**

The family and the owner must execute and enter into a written dwelling lease for the assisted unit. This written lease is a contract between the family and the owner; SLHA is not a party to this contract. The family must have legal capacity to enter a lease under state and local law. Legal capacity means that the family is bound by the terms of the lease and may enforce the terms of the lease against the owner.

### **23.4.1 Lease Form and Tenancy Addendum**

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. All provisions in the HUD-required Tenancy Addendum must also be added word-for-word to the owner's standard lease form for use with the assisted family. The Tenancy Addendum includes the tenancy requirements for the program and the composition of the household as approved by SLHA. As a part of the lease, the family shall have the right to enforce the Tenancy Addendum against the owner and the terms of the Tenancy Addendum shall prevail over any other provisions of the lease. SLHA does not provide a model or standard dwelling lease for owners to use in the HCV program.

### **23.4.2 Lease Information**

The assisted dwelling lease must contain all of the following information:

- The names of the owner and the family
- The unit rented (address, apartment number and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family

### **23.4.3 Term of Assisted Tenancy**

The lease, and all lease renewals, must be for a term of one year. SLHA may approve a shorter initial lease term if SLHA determines that such shorter term would improve housing opportunities for the family. During the initial term of the lease, the owner may not raise the rent to the family. House Rules of the owner may be attached to the lease as an addendum, provided they are approved by SLHA to ensure they do not violate any fair housing provisions and do not conflict with the Tenancy Addendum.

#### **23.4.4 Security Deposit**

SLHA will allow the owner to collect any security deposit amount the owner determines is appropriate and that does not violate state law.

#### **23.4.5 Separate Non-Lease Agreements between Owner and Tenant**

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner, minus SLHA's housing assistance payments to the owner. The owner may not charge the family extra amounts for items customarily included in rent in the St. Louis area or provided at no additional cost to unsubsidized tenants in the premises. SLHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease. The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

#### **23.4.6 Lease Review**

SLHA will review the dwelling lease for compliance with all applicable requirements. If the dwelling lease is incomplete or incorrect, SLHA will notify the family and the owner of the deficiencies. SLHA will also review the terms of the RFTA for consistency with the terms of the lease. If the terms of the RFTA are not consistent with the terms of the proposed lease, SLHA will notify the owner of the discrepancies. Because the initial leasing process is time-sensitive, SLHA will attempt to communicate with the owner and family by phone, fax or email. SLHA will use mail when the parties cannot be reached by phone, fax or email. SLHA may decline to approve the tenancy if SLHA determines that the lease does not comply with state or local law.

#### **23.4.7 Changes to the Lease**

If the family and the owner agree to any changes in the lease, such changes must be in writing, the owner must immediately give SLHA a copy of such changes. Generally, SLHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances voucher assistance in the unit will not continue unless SLHA has approved a new tenancy and has executed a new HAP contract with the owner. These circumstances include:

- Changes in lease requirements governing family or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the HCV assistance is to continue, the family must submit a new RFTA along with a new dwelling lease containing the altered terms. The owner must execute a revised HAP contract that reflects the new lease terms.

## **23.5 Payments to Owners**

### **23.5.1 General**

During the term of the HAP contract, and subject to the provisions of the HAP contract, SLHA will make monthly HAP to the owner on behalf of the family by the third business day of each month. If a lease term begins after the first of the month, the HAP for the first month is prorated for a partial month. The amount of the HAP is determined according to the policies described in Chapter 22 and is subject to change during the term of the HAP contract. SLHA will notify the owner and the family in writing of any changes in the HAP. HAPs can be made only during the lease term and only while the family is residing in the unit. The monthly HAP by SLHA is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the family, plus SLHA HAP, should be equal to the rent specified in the lease (the rent to owner). The family is not responsible for payment of the HAP and SLHA is not responsible for payment of the family's share of rent.

Payments are made by direct deposit or check. Checks that are not received will not be replaced until a written request has been received from the payee and if SLHA is able to place a stop payment on the check. A \$20.00 fee may be charged for each stop payment request. Replacement checks will be mailed to the payee; no pick-ups will be allowed.

After the owner has obtained a court judgment or other process allowing the owner to evict the family, SLHA will continue to make payments to the owner until the family actually moves from the unit or until the family is physically evicted from the unit, whichever is earlier. The owner must inform SLHA of the date when the family actually moves from the unit or the family is physically evicted from the unit.

### **23.5.2 Owner Certification of Compliance**

The owner must comply with all provisions of the HAP contract to receive payments. By accepting the payment from SLHA, the owner certifies to compliance with the terms of the HAP contract. This includes certification that the owner is maintaining the unit and premises in accordance with HQS; the contract unit is leased to the family and, to the best of the owner's knowledge, the family resides in the unit as the family's only residence; the rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and that the owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

### **23.5.3 Late HAP Payments**

SLHA will pay the HAP promptly when due to the owner. The HAP contract sets forth the circumstances pursuant to which SLHA will be obligated to pay the owner a penalty for the late payment of housing assistance payments. For the penalties to take effect, all the following circumstances must apply:

- Penalties imposed must be in accordance with generally accepted local market practices and law governing penalties for late payment of rent by a tenant
- It must be the owner's normal business practice to charge such penalties for assisted and unassisted tenants
- The owner must also normally charge such penalties against the tenant for late payment of the family's rent to owner

SLHA will pay a late fee to owners when payments are delayed due to administrative error by SLHA. SLHA does not pay a late payment penalty if the late payment was due to factors beyond SLHA's control, nor does SLHA pay a late payment penalty if the payment was intentionally delayed or denied due to owner breach of the HAP contract.

**23.5.3.1 Late Payment Fee Methodology**

SLHA will pay a late fee in the amount of \$30.00 when an owner receives payment later than the sixth business day of the month when payments are delayed due to administrative error by SLHA. Payments are deemed received by the owner when the payment is mailed by SLHA. The date of the postmark is the receipt date. This late fee will be granted for the month in which the HAP was due. If the HAP is not received by the second month following the month in which the rent was delinquent, an additional fee will be applied in the amount of \$1.00 per day until the HAP is received. Late fees will not be paid for the first two months of a newly executed contract.

**23.5.3.2 Late Payment Fee for Delayed Rental Increases**

When a rental increase has been granted for a family that has completed an initial housing assistance term (12 months) and the increase payment has not been executed during the annual re-certification of the family, a late fee will be applied to the portion of the rental increase only. Late fees will be paid based on the following;

- Less than 30 days                      10 percent of the Rental Increase
- 31-90 days                              15 percent of the Rental Increase
- 90 or more days                      20 percent of the Rental Increase



## Chapter 24 Reexaminations

[24 CFR 982.516, 982.405, 982.505, 982.518, 982.519]

### 24.1 Overview

SLHA reexamines each family's income and composition at least annually and adjusts the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. Annual and interim reexaminations will be processed in a manner that ensures families are given reasonable notice of rent increases. This chapter discusses both annual and interim reexaminations, and the recalculation of the family's share and subsidy that occurs as a result. It also explains the interim reporting requirements for families and the standards for timely reporting.

### 24.2 Annual Reexaminations

#### 24.2.1 Annual Activities

SLHA must conduct three activities on an annual basis. These activities will be coordinated whenever possible:

- Reexamination of Income and Family Composition
- HQS Inspection
- Review of housing assistance payment amount for possible rent adjustment

#### 24.2.2 Scheduling Annual Reexaminations

SLHA will begin the annual reexamination process 120 days in advance of its scheduled effective date. Generally, SLHA will schedule annual reexamination effective dates to coincide with the family's anniversary date. Anniversary date is defined as 12 months from the effective date of the family's last annual reexamination or during a family's first year in the program, from the effective date of the family's initial examination (admission).

#### 24.2.3 Notification of and Participation in the Annual Reexamination Process

Families generally are required to participate in an annual reexamination interview, which must be attended by the head of household, spouse or co-head and family members 18 years of age or older. If participation in an in-person interview poses a hardship because of a family member's disability, SLHA may, as a reasonable accommodation, arrange for the reexamination to be conducted by home visit or by mail.

Notification of annual reexamination interviews will be sent by first-class mail and will contain the date, time and location of the interview. In addition, it will inform the family of the information and documentation that must be brought to the interview.

If the family is unable to attend a scheduled interview, the family should contact SLHA in advance of the interview to schedule a new appointment. If a family does not attend the scheduled interview, SLHA will send a second notification with a new interview appointment time. If a family fails to attend two scheduled interviews without SLHA approval or if the notice is returned by the post office with no forwarding address, a notice of termination with an offer for an informal hearing will be sent to the family's address on record.

#### **24.2.4 Conducting Annual Reexaminations**

As part of the annual reexamination process, families are required to provide updated information to SLHA regarding the family's income, expenses and composition. Families will be asked to bring all required information (as described in the reexamination notice) to the reexamination appointment. The required information will include a SLHA-designated reexamination form, an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documentation related to the family's income, expenses and family composition.

Any required documents or information that the family is unable to provide at the time of the interview must be provided within 10 business days of the interview. If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be sent a notice of termination.

The information provided by the family generally must be verified in accordance with SLHA policies. Unless the family reports a change or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity
- Age
- Social Security numbers
- A person's disability status
- Citizenship or immigration status

If adding a new family member to the unit causes overcrowding according to the HQS, SLHA will issue the family a new voucher and the family must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, SLHA must terminate the existing HAP contract in accordance with its terms.

#### **24.2.5 Reexaminations for Families with Fixed Income**

At its discretion, SLHA may conduct a streamlined reexamination of income for elderly families and disabled families when 100 percent of the family's income consists of fixed income as defined below. In those cases, the reexamination will be conducted by mail, email and/or telephone.

For the purposes of this provision, the term "fixed income" includes income from:

- Social Security payments to include Supplemental Security Income (SSI) and Supplemental Security Disability Insurance (SSDI);
- Federal, State, local, and private pension plans; and
- Other periodic payments received from annuities, insurance policies, retirement funds, disability or death benefits but not including child support payments or TANF.

#### **24.2.6 Recalculating Family Share**

After gathering and verifying required information for an annual reexamination, SLHA will recalculate the family's share of the rent and the subsidy amount, and notify the family and owner of the changes in writing.

#### **24.2.7 Effective Dates**

In general, an increase in the family's share of the rent that results from an annual reexamination will take effect on the family's anniversary date. The family will be notified at least 30 days in advance.

- If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period
- If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract and no 30-day notice is required
- If SLHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by SLHA, but will always allow for the 30-day notice period

If the family causes a delay in processing the annual reexamination, increases in the family's share of the rent will be applied retroactively to the scheduled effective date of the annual reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 28.

In general, a decrease in the family's share of the rent that results from an annual reexamination will take effect on the earlier of the first of month following the completion of income verification or the anniversary date.

- If a family moves to a new unit prior to the first of the month following income verification or the anniversary date, the decrease will take effect on the effective date of the new lease and HAP contract
- If the income verification date is prior to the anniversary date, SLHA will use an interim reexamination to make the decrease in the family's share effective and complete the annual reexamination to be effective on the family's anniversary date

If the family causes a delay in processing the annual reexamination, decreases in the family's share of the rent will be applied prospectively from the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by SLHA by the date specified and this delay prevents SLHA from completing the reexamination as scheduled.

### **24.3 Interim Reexaminations**

#### **24.3.1 Overview**

Family circumstances may change throughout the period between annual reexaminations. SLHA may conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted.

### **24.3.2 Changes in Family and Household Composition**

Program participants are not required to report changes in household composition to SLHA between annual reexaminations.

SLHA will not conduct interim reexaminations related to changes in household composition that occur between annual reexaminations unless:

- the family requests a reexamination or
- SLHA has reason to believe that the family is overhoused.

#### ***24.3.2.1 New Family Members Not Requiring Approval***

The family may inform SLHA of the birth, adoption, or court-awarded custody or guardianship of a child. The family must provide information for SLHA to verify age, legal identity, Social Security number, citizenship and legal custody to add the family member.

#### ***24.3.2.2 New Family and Household Members Requiring Approval***

SLHA approval is required to add a new family member or other household member that is not specified in the previous section. Additions to family or household composition may occur by establishment of life partner relationships or requirements to care for elderly or disabled family members, including parents, the need for a live-in aide, custodial care of a child through the Division of Family Services, foster children or foster adults. SLHA will not approve the addition of a new family or household member unless the individual meets SLHA's eligibility criteria and documentation requirements.

If SLHA determines an individual eligible to be added to the family or household as outlined in this section meets SLHA's eligibility criteria and documentation requirements, SLHA will provide approval to the family. If SLHA determines that an individual does not meet SLHA's eligibility criteria or documentation requirements, SLHA will notify the family of its decision to deny approval of the new family or household member and the reasons for the denial.

#### ***24.3.2.3 Change in Unit Size and Income by Adding Household Members***

If a change in family size causes a violation of HQS space standards, SLHA will issue the family a new voucher and the family must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, SLHA will terminate the family's HAP contract in accordance with its terms. SLHA will not approve the addition of a foster child or foster adult if it will cause a violation of HQS space standards.

If any new family member is added, family income must include any income of the new family member. SLHA will conduct a reexamination to determine such additional income and will make the appropriate adjustments in the housing assistance payment and family unit size.

#### **24.3.2.4 *Departure of a Family or Household Member***

If a household member ceases to reside in the unit, the family may inform SLHA. This also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

### **24.4 Changes Affecting Income or Expenses**

Interim reexaminations can be scheduled either because SLHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. SLHA Initiated Interim Reexaminations

SLHA initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by SLHA. SLHA will conduct interim reexaminations in each of the following instances:

- For families receiving the Earned Income Disallowance (EID), SLHA will conduct an interim reexamination at the start and conclusion of the second 12 month exclusion period (50 percent ease-in period)
- If the family has reported zero income, SLHA will conduct an interim reexamination every three months as long as the family continues to report that they have no income
- If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), SLHA will schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income
- SLHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination or to investigate a family fraud complaint

#### **24.4.1 Family-Initiated Interim Reexaminations**

##### **24.4.1.1 *Required Reporting***

Families are not required to report changes in income between annual reexaminations.

##### **24.4.1.2 *Optional Reporting***

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination. SLHA must process the request if the family reports a change that will result in a reduced family income. However, SLHA may refuse to process an interim reexamination when the family reports a decrease in income if SLHA determines that the decrease was caused by a deliberate action of the family to avoid paying, or to reduce, their rent portion (e.g., a family member quits a job in order to qualify for a lower rent portion).

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced. Families may report changes in income or expenses at any time.

##### **24.4.1.2.1 Optional Processing for Interim Reexamination**

SLHA will not process an interim reexamination when a family reports a decrease in income for school teachers, school bus drivers or other repetitive

seasonal workers whose income is annualized by the method described in Section 12.2.2.2. unless the family provides documentation of dismissal from the employment.

## **24.4.2 Processing the Interim Reexamination**

### **24.4.2.1 Method of Reporting**

The family may notify SLHA of changes either orally or in writing. If the family provides oral notice, SLHA may also require the family to submit the changes in writing. Generally, the family will not be required to attend an interview for an interim reexamination. However, if SLHA determines that an interview is warranted, the family may be required to attend. Based on the type of change reported, SLHA will determine the documentation the family will be required to submit. The family must submit any required information or documents within 10 business days of receiving a request from SLHA. This time may be extended for good cause with SLHA approval. SLHA will accept required documentation by mail, fax or in person.

### **24.4.2.2 Recalculating Family Share**

After gathering and verifying required information for an interim reexamination, SLHA will recalculate the family's share of the rent and the subsidy amount, and notify the family and owner of the changes in writing.

### **24.4.2.3 Effective Dates**

SLHA has established the time frames in which any changes that result from an interim reexamination will take effect. The changes may be applied either retroactively or prospectively, depending on whether there is to be an increase or a decrease in the family's share of the rent and whether the family reported any required information within the required time frames.

- If the family share of the rent is to increase:
  - The increase generally will be effective on the first of the month following 30 days' notice to the family
  - If a family fails to report a change within the required time frames or fails to provide all required information within the required time frames, the increase will be applied retroactively to the date it would have been effective had the information been provided on a timely basis and the family will be responsible for any overpaid subsidy
- If the family's share of the rent is to decrease:
  - The decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted
  - In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively

## Chapter 25 Moves with Continued Assistance

[24 CFR 982.314, 982.552]

### 25.1 Overview

There are few restrictions on where families may live or move with HCV assistance. SLHA has established some limitations or restrictions on moves. This chapter defines the procedures for moves and the policies for restriction and limitations on moves.

### 25.2 Allowable Moves

A family may move to a new unit with continued assistance if:

- The family has a right to terminate the lease on notice to the owner (for the owner's breach or otherwise) and has given a notice of termination to the owner in accordance with the lease
  - If the family terminates the lease on notice to the owner, the family must give SLHA a copy of the notice at the same time
- The lease for the family's unit has rescinded by mutual agreement of the owner and the family
  - If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give SLHA a copy of the rescission
- The owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family
  - The family must give SLHA a copy of any owner eviction notice.
- The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault or stalking and the move is needed to protect the health or safety of the family or family member
  - This condition applies even when the family has moved out of its unit in violation of the lease, with or without prior notification to SLHA, if the family or family member who is the victim reasonably believed that he or she was imminently threatened by harm from further violence if he or she remained in the unit
  - If a family requests permission to move with continued assistance based on a claim that the move is necessary 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, SLHA will request documentation
  - SLHA reserves the right to waive the documentation requirement if it determines that a statement or other corroborating evidence from the family or family member will suffice; SLHA will document the waiver in the family's file
- SLHA has terminated the HAP contract for the family's unit for the owner's breach
- SLHA determines that the family's current unit does not meet the HQS space standards because of an increase in family size or a change in family composition
  - In such cases, SLHA will issue the family a new voucher and the family must try to find an acceptable unit as soon as possible
  - If an acceptable unit is available for the family, SLHA will terminate the HAP contract for the family's old unit in accordance with the HAP contract terms and will notify both the family and the owner of the termination
  - The HAP contract terminates at the end of the calendar month that follows the calendar month in which SLHA gives notice to the owner

### **25.3 Other Allowable Moves**

Under limited circumstances, SLHA may provide continued assistance under the HCV program to a family which has resided in a unit subsidized under the program for less than one year. To receive continued assistance, the following conditions must apply.

SLHA must receive a letter from a law enforcement agency asking that the family be allowed to move with continued assistance because of a threat of imminent, deadly violence to one or more family members for the reason that one or more family members is cooperating in a criminal investigation or criminal judicial proceeding. The requesting letter, which must be on the letterhead of the law enforcement agency, must be signed by an officer of the rank of lieutenant or higher if from the St. Louis Metropolitan Police Department or St. Louis County Police Department, the police chief if from a St. Louis County municipal police department, or the ranking officer or agent of the local office of a federal law enforcement agency. The letter must identify the family and state in detail the circumstances requiring the immediate relocation of the family. The letter must state that one or more family members have been threatened with deadly force, that such threat is imminent and that the threat is a consequence of the family's cooperation with a pending criminal investigation or criminal judicial proceeding.

The family must be otherwise eligible for assistance under the HCV program. The family's owner must consent to a rescission of the family's lease. SLHA may, if it deems the situation sufficiently dire, permit the family to have continued assistance even in the event the owner refuses to consent to a rescission of the lease. The decision to honor such a request is solely within the discretion of the Executive Director or his/her designee and is not subject to the informal hearing procedure available to HCV participants.

### **25.4 Restrictions on Moves**

SLHA may deny a family permission to move under the following conditions:

- There is not sufficient funding for continued assistance
  - SLHA will only deny such moves if the move is initiated by the family and SLHA can demonstrate that the move will result in higher subsidy costs
- SLHA may deny a family permission to move if it has grounds for denying or terminating the family's assistance, including, but not limited to:
  - The family has violated a Family Obligation
  - The family owes SLHA money
- SLHA may deny a family permission to make an elective move during the family's initial lease term

SLHA allows only one elective move by a participant family during any 12-month period. The Executive Director may make exceptions to these restrictions if there is an emergency reason for the move over which the participant has no control. In addition, SLHA will allow exceptions to these policies for purposes of reasonable accommodation of a family member who is a person with disabilities (see Chapter 2).



## **25.5 Moving Process**

### **25.5.1 Notification**

If a family wishes to move to a new unit, the family must notify SLHA and the owner before moving out of the old unit or terminating the lease. The notices must be in writing. Upon receipt of a family's notification that it wishes to move, SLHA will determine whether the move is approvable. SLHA will notify the family of its determination as soon as practicable following receipt of the family's notification.

### **25.5.2 Reexamination of Family Income and Composition**

For families approved to move to a new unit within SLHA's jurisdiction, SLHA will perform a new annual reexamination.

### **25.5.3 Voucher Issuance and Briefing**

For families approved to move to a new unit within SLHA's jurisdiction, SLHA will issue a new voucher within 15 business days of SLHA's written approval to move. No briefing is required for these families. SLHA will follow the policies set forth in this Plan on voucher term, extension and expiration. If a family does not locate a new unit within the term of the voucher and any extensions, the family may remain in its current unit with continued voucher assistance if the owner agrees and SLHA approves. Otherwise, the family will lose its assistance.

### **25.5.4 Housing Assistance Payments**

When a family moves out of an assisted unit, SLHA may not make any housing assistance payment to the owner for any month after the month the family moves out. The owner may keep the housing assistance payment for the month the family moves out of the unit. If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit is not considered to constitute a duplicative housing subsidy.

# Chapter 26 Portability

[24 CFR 982.353]

## 26.1 Overview

Within the limitations of SLHA policies, a family that has been issued a voucher has the right to use HCV voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a PHA administering a HCV program. The process by which a family obtains a voucher from one PHA and uses it to lease a unit in the jurisdiction of another PHA is known as portability. The first PHA is called the initial PHA. The second is called the receiving PHA.

The receiving PHA has the option of administering the family's voucher for the initial PHA or absorbing the family into its own program. Under the first option, the receiving PHA bills the initial PHA for the family's HAP payments and the fees for administering the family's voucher. Under the second option, the receiving PHA pays for the family's assistance out of its own program funds and the initial PHA has no further relationship with the family.

SLHA may act as the initial PHA for some families and as the receiving PHA for others. Each role involves different responsibilities. This chapter outlines SLHA's policies for portability.

## 26.2 SLHA as the Initial PHA

### 26.2.1 Allowable Moves under Portability

A family may move with voucher assistance only to an area where there is at least one PHA administering a HCV program. If there is more than one PHA in the area, SLHA may choose the receiving PHA. Applicant families, as well as participant families, may qualify to lease a unit outside the PHA's jurisdiction under portability.

#### 26.2.1.1 *Applicant Families*

SLHA will deny an applicant family's request to move to another jurisdiction if neither the head of household nor the spouse or co-head of an applicant family had a domicile (legal residence) in SLHA's jurisdiction at the time the family's application for assistance was submitted and the family not lived in SLHA's jurisdiction with HCV assistance for at least 12 months. SLHA may deny a portability move by an applicant family for insufficient funding or if SLHA has grounds for denial of assistance. In determining whether or not to deny an applicant family permission to move under portability, SLHA will follow the policies established in Chapter 25 to determine if the family may move with continued assistance. SLHA will consider exceptions to this policy for purposes of reasonable accommodation or reasons related to domestic violence, dating violence, sexual assault or stalking.

#### 26.2.1.2 *Participant Families*

SLHA may deny a portability move by a participant family for insufficient funding or SLHA has grounds for termination of assistance. In determining whether or not to deny an applicant family permission to move under portability, SLHA will follow the policies established in Chapter 25. SLHA will not provide portable assistance for a participant if a family has moved out of its assisted unit in violation of the lease. SLHA will consider exceptions to this policy for purposes of reasonable accommodation or reasons related to domestic violence, dating violence, sexual assault or stalking.

### **26.2.2 Determining Income Eligibility**

An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the HCV program in that area. The family must specify the area to which the family wishes to move. SLHA will determine whether the family is income eligible in the area to which the family wishes to move. If the applicant family is not income eligible in that area, SLHA will inform the family that it may not move there and receive HCV assistance. The income eligibility of a participant family is not re-determined if the family moves to a new jurisdiction under portability.

### **26.2.3 Reexamination of Family Income and Composition**

No new reexamination of family income and composition is required for an applicant family. For a participant family approved to move out of its jurisdiction under portability, SLHA generally will conduct a reexamination of family income and composition only if the family's annual reexamination must be completed on or before the initial billing.

### **26.2.4 Briefing**

SLHA will provide the family with the same oral and written explanation of portability that it provides to applicant families selected for admission to the program. SLHA will advise the family that they will be under SLHA's policies and procedures, including subsidy standards and voucher extension policies. SLHA will advise the family of its responsibility to contact the receiving PHA.

### **26.2.5 Voucher Issuance and Term**

For families approved to move under portability, SLHA will issue a new voucher within 10 business days. The initial term of the voucher will be 120 days.

### **26.2.6 Voucher Extensions and Expiration**

SLHA will approve extensions to a voucher issued to an applicant or participant family porting out of SLHA's jurisdiction under the following circumstances:

- The initial term of the voucher will expire before the portable family will be issued a voucher by the receiving PHA
- The family decides to return to SLHA's jurisdiction and search for a unit
- The family decides to search for a unit in a third PHA's jurisdiction

To receive or continue receiving assistance under SLHA's HCV program, the family must be under HAP contract in the receiving PHA's jurisdiction within 30 days following the expiration date of SLHA's voucher term (including any extensions).

### **26.2.7 Preapproval Contact with the Receiving PHA**

Prior to approving a family's request to move under portability, SLHA may contact the receiving PHA via e-mail or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the family's voucher. Based on the receiving PHA's response, SLHA will determine whether it will approve or deny the move.

### **26.2.8 Initial Notification to the Receiving PHA**

After approving a family's request to move under portability, SLHA will promptly notify the receiving PHA to expect the family. SLHA will also advise the family how to contact and request assistance from the receiving PHA. Because the portability process is time-sensitive, SLHA will notify the receiving PHA by phone, fax or e-mail to expect the family.

SLHA will also ask the receiving PHA to provide any information the family may need upon arrival, including the name, fax, e-mail and telephone number of the staff person responsible for incoming portable families and procedures related to appointments for voucher issuance. SLHA will pass this information along to the family. SLHA will also ask for the name, address, telephone number, fax and e-mail of the person responsible for processing the billing information.

#### **26.2.9 Sending Documentation to the Receiving PHA**

SLHA will send the receiving PHA the following documents:

- Form HUD-52665, Family Portability Information, with Part I filled out
- A copy of the family's voucher
- A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058
- Copies of the income verifications backing up form HUD-50058, including a copy of the family's current EIV data. Note that EIV information may not be faxed (EIV data must be mailed and placed in a separate sealed envelope marked confidential)

In addition to these documents, SLHA will provide the following information, if available, to the receiving PHA:

- Social Security numbers (SSNs)
- Documentation of SSNs for all nonexempt household members whose SSNs have not been verified through the EIV system
- Documentation of legal identity
- Documentation of citizenship or eligible immigration status
- Documentation of participation in the earned income disallowance (EID) benefit
- Documentation of participation in a family self-sufficiency (FSS) program

#### **26.2.10 Initial Billing Deadline**

When SLHA sends form HUD-52665 to the receiving PHA, it will specify the deadline by which it must receive the initial billing notice from the receiving PHA. This deadline is 60 days following the expiration date of the voucher issued to the family by SLHA. If SLHA has not received an initial billing notice from the receiving PHA by the deadline specified on form HUD-52665, it will contact the receiving PHA by phone, fax or e-mail. If the receiving PHA reports that the family is not yet under HAP contract, SLHA may inform the receiving PHA that it will not honor a late billing submission and will return any subsequent billings that it receives on behalf of the family. SLHA will send the receiving PHA a written confirmation of its decision by mail. SLHA will allow an exception to this policy if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving PHA.

#### **26.2.11 Monthly Billing Payments**

If the receiving PHA is administering the family's voucher, SLHA is responsible for making billing payments in a timely manner. The first billing amount is due within 30 calendar days after SLHA receives Part II of form HUD-52665 from the receiving PHA. Subsequent payments must be received by the receiving PHA no later than the fifth business day of each month. SLHA may not terminate or delay making payments under existing portability billing arrangements as a result of over-leasing or funding shortfalls.

SLHA will utilize direct deposit to ensure that the payment is received by the deadline unless the receiving PHA notifies SLHA that direct deposit is not an acceptable method of payment to them.

#### **26.2.12 Annual Updates of Form HUD-50058**

If SLHA is being billed on behalf of a portable family, it must receive an updated form HUD-50058 each year from the receiving PHA. If SLHA fails to receive an updated 50058 by the family's annual reexamination date, SLHA will contact the receiving PHA to verify the status of the family.

#### **26.2.13 Denial or Termination of Assistance**

SLHA and the receiving PHA may both deny or terminate assistance in accordance with their policies. If a portable family that has not been absorbed by a receiving PHA, SLHA may act on those grounds at any time. SLHA must provide a copy of all notices to the receiving PHA and must notify the receiving PHA when the denial or termination of assistance is final.

### **26.3 SLHA as a Receiving PHA**

If a family has a right to lease a unit in SLHA's jurisdiction under portability, SLHA must provide assistance for the family. SLHA's procedures and preferences for selection among eligible applicants do not apply and SLHA's waiting list is not used. However, the family's unit or voucher size is determined in accordance with SLHA's subsidy standards and the amount of the family's housing assistance payment is determined in the same manner as for other families in SLHA's HCV program.

#### **26.3.1 Responding to Initial PHA's Request**

SLHA must respond via e-mail or other confirmed delivery method to an initial PHA's inquiry to determine whether the family's voucher will be billed or absorbed. If SLHA informs an initial PHA that it will be absorbing the voucher, SLHA cannot reverse its decision at a later date. SLHA will use e-mail, when possible, to notify an initial PHA whether it will administer or absorb the family's voucher.

#### **26.3.2 Initial Contact with Family**

When a family moves into SLHA's jurisdiction under portability, the family is responsible for promptly contacting SLHA and complying with SLHA's procedures for incoming portable families. If the voucher issued to the family by the initial PHA has expired, SLHA will not process the family's paperwork, but instead refers the family back to the initial PHA. If for any reason SLHA refuses to process or provide assistance to a family under the portability procedures, the family must be given the opportunity for an informal review or hearing by SLHA.

#### **26.3.3 Briefing**

SLHA will provide the family with a briefing packet and in an individual briefing will orally inform the family about SLHA's payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process and the leasing process.

#### **26.3.4 Income Eligibility and Reexamination**

For any family moving into its jurisdiction under portability, SLHA will conduct a new reexamination of the family's income and composition. However, SLHA will not delay issuing the family a voucher for this reason, nor will SLHA delay approving a unit for the family until the reexamination process is complete unless the family is an applicant and SLHA cannot otherwise confirm that the family is income eligible for admission to the program.

In conducting its own reexamination, SLHA will rely upon any verifications provided by the initial PHA to the extent that they accurately reflect the family's current circumstances and were obtained within the last 120 days. Any new information may be verified by documents provided by the family and adjusted, if necessary, when third party verification is received.

#### **26.3.5 Voucher Issuance**

When a family ports into its jurisdiction, SLHA will issue the family a voucher based on the form HUD -52665 provided by the initial PHA unless the form from the initial PHA is incomplete, the family's voucher from the initial PHA has expired or the family does not comply with SLHA's procedures.

#### **26.3.6 Voucher Term**

SLHA's voucher will expire on the same date as the initial PHA's voucher. SLHA generally will not extend the term of the voucher that it issues to an incoming portable family unless SLHA plans to absorb the family into its own program, in which case it will follow the policies on voucher extension. SLHA will consider an exception to this policy as a reasonable accommodation to a person with disabilities.

#### **26.3.7 Notifying the Initial PHA**

SLHA must promptly notify the initial PHA if the family has leased an eligible unit under the program or if the family fails to submit a RFTA for an eligible unit within the term of the receiving PHA's voucher. SLHA will use Part II of form HUD-52665, Family Portability Information, for this purpose.

If an incoming portable family ultimately decides not to lease in SLHA's jurisdiction, but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, SLHA must refer the family back to the initial PHA. In such a case, the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extension of search time provided to SLHA's voucher is only valid for the family's search in SLHA's jurisdiction.

#### **26.3.8 Administering a Portable Family's Voucher**

##### ***26.3.8.1 Initial Billing Deadline***

If a portable family's search for a unit is successful and SLHA intends to administer the family's voucher, SLHA must submit its initial billing notice (Part II of form HUD-52665) no later than 10 business days following the date of the executed HAP contract and in no case later than 60 days following the expiration date of the family's voucher issued by the initial PHA. SLHA will provide the initial PHA with a copy of the family's form HUD-50058. Both documents will be attached to the initial billing notice.

SLHA will send its initial billing notice by fax or e-mail, if necessary, to meet the billing deadline but will also send the notice by regular mail. If SLHA fails to send the initial billing within 10 business days following the date the HAP contract is executed, it is generally required to absorb the family into its own program unless the initial PHA is willing to accept the late submission or HUD requires the initial PHA to honor the late submission.

#### **26.3.8.2 Annual Reexamination**

SLHA must send the initial PHA a copy of a portable family's updated form HUD-50058 after each annual reexamination for the duration of time the receiving PHA is billing the initial PHA on behalf of the family, regardless of whether there is a change in the billing amount. SLHA will send a copy of the updated HUD-50058 by regular mail at the same time the family and owner are notified of the reexamination results.

#### **26.3.8.3 Change in Billing Amount**

SLHA will notify the initial PHA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.)
- An abatement or subsequent resumption of the HAP payments
- Termination of the HAP contract
- Termination of the family from the program

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide the initial PHA with advance notice of the change. The notification must be sent no later than 10 business days following the effective date of the change in the billing amount. If SLHA fails to send Form HUD-52665 within 10 days of the effective date of billing changes, the initial PHA is not responsible for any increase prior to notification.

#### **26.3.8.4 Denial or Termination of Assistance**

SLHA and the initial PHA may both deny or terminate assistance in accordance with their policies. SLHA must provide a copy of all notices to the initial PHA and must notify the initial PHA when the denial or termination of assistance is final.

#### **26.3.8.5 Absorbing a Portable Family**

If SLHA decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, SLHA will notify the initial PHA by the initial billing deadline specified on form HUD-52665. The effective date of the HAP contract will be the effective date of the absorption. Following the absorption of an incoming portable family, the family is assisted with funds available under the consolidated ACC of SLHA's HCV program and SLHA becomes the initial PHA in any subsequent moves by the family under portability.

### **26.4 General Administrative Requirements in Portability Transactions**

#### **26.4.1 Late Payments**

If the initial PHA fails to make a monthly payment for a portable family by the fifth business day of the month, the receiving PHA must promptly notify the initial PHA in writing of the deficiency. The notice must identify the family, the amount of the billing payment, the date the billing payment was due and the date the billing payment was received (if it arrived late). The receiving PHA must send a copy of the notification to the Office of Public Housing (OPH) in the HUD area office with jurisdiction over the receiving PHA.

If the initial PHA fails to correct the problem by the second month following the notification, the receiving PHA may request, by memorandum to the director of the OPH with jurisdiction over the receiving PHA, that HUD transfer the unit in question. A copy of the initial notification and any subsequent correspondence between the PHAs on the matter must be attached. The receiving PHA must send a copy of the memorandum to the initial PHA. If the OPH decides to grant the transfer, the billing arrangement on behalf of the family ceases with the transfer, but the initial PHA is still responsible for any outstanding payments due to the receiving PHA.

#### **26.4.2 Overpayments**

In all cases where the receiving PHA has received billing payments for billing arrangements no longer in effect, the receiving PHA is responsible for returning the full amount of the overpayment (including the portion provided for administrative fees) to the initial PHA. In the event that HUD determines billing payments have continued for at least three months because the receiving PHA failed to notify the initial PHA that the billing arrangement was terminated, the receiving PHA must take the following steps:

- Return the full amount of the overpayment, including the portion provided for administrative fees, to the initial PHA
- Once full payment has been returned, notify the Office of Public Housing in the HUD area office with jurisdiction over the receiving PHA of the date and the amount of reimbursement to the initial PHA



## **Chapter 27 Termination of HAP Contract**

[24 CFR 982.311]

### **27.1 Overview**

The HAP contract is the contract between the owner and SLHA which defines the responsibilities of both parties. This chapter describes the circumstances under which the contract can be terminated by SLHA and the owner, and the policies for such terminations.

### **27.2 HAP Contract Term and Terminations**

The term of the HAP contract runs concurrently with the term of the dwelling lease, beginning on the first day of the initial term of the lease and terminating on the last day of the term of the lease, including any lease term extensions. The HAP contract and the housing assistance payments made under the HAP contract terminate if:

- The owner or the family terminates the lease
- The lease expires
- SLHA terminates assistance for the family
- The family moves from the assisted unit (In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit)
- 180 calendar days have elapsed since SLHA made the last housing assistance payment to the owner
- The family is absent from the unit for longer than the maximum period permitted by SLHA
- The Annual Contributions Contract (ACC) between SLHA and HUD expires

SLHA may elect to terminate the HAP contract in each of the following situations:

- Available program funding is not sufficient to support continued assistance for families in the program
- The unit does not meet HQS size requirements due to change in family composition
- The unit does not meet HQS inspection criteria
- The family breaks up
- The owner breaches the HAP contract

If SLHA terminates the HAP contract, SLHA will give the owner and the family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no further HAP payments may be made under that contract. In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which SLHA gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period and must return to SLHA any housing assistance payment received after this period. If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required.

## **27.3 Termination of Tenancy by the Owner: Evictions**

The owner may only terminate the tenancy in accordance with the terms of the lease.

### **27.3.1 Grounds for Termination of Tenancy**

During the term of the lease, the owner may only terminate the tenancy for the following reasons:

- Serious or repeated lease violations
  - An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may not be considered as serious or repeated violations of the lease or other good cause for termination of the assistance, tenancy or occupancy rights of such a victim
- Violation of federal, state or local law that imposes obligations on the family in connection with the occupancy or use of the unit and the premises
- Criminal activity or alcohol abuse
- Other good cause as described in section 27.3.3.

SLHA's failure to pay the housing assistance payment to the owner is not a violation of the lease between the family and the owner. During the term of the lease, the owner may not terminate the tenancy of the family for nonpayment of SLHA's housing assistance payment.

### **27.3.2 Criminal Activity and Alcohol Abuse**

The owner may terminate the tenancy during the term of the lease if any member of the household or guest or another person under the resident's control commits any of the following types of criminal activity:

- Any criminal activity that threatens the health or safety of or the right to peaceful enjoyment of the premises by other residents or property management staff
- Any criminal activity that 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
- Any violent criminal activity on or near the premises
- Any drug-related criminal activity on or near the premises
- The owner may terminate the tenancy during the term of the lease if any member of the household is:
  - Fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony under the laws of the place from which the individual flees
  - Violating a condition of probation or parole under federal or state law

### **27.3.3 Other Good Causes for Termination of Tenancy**

During the initial lease term or during any extension, other good cause includes:

- Disturbance of neighbors
- Destruction of property
- Living or housekeeping habits that cause damage to the unit or premises

After the initial lease term, other good cause includes:

- A family's failure to accept the owner's offer of a new lease or revision
- The owner's desire to use the unit for personal or family use or for a purpose other than use as a residential unit
- A business or economic reason, such as sale of the property, renovation of the unit or the owner's desire to rent the unit for a higher rent

#### **27.3.4 Termination of HAP Payments**

HAP payments terminate when the HAP contract terminates or when the tenancy is terminated in accordance with the terms of the lease. The owner must inform SLHA when they have initiated eviction proceedings against the family and the family continues to reside in the unit. The owner must inform SLHA when they have obtained a court judgment or other process allowing them to evict the tenant and provide SLHA with a copy of such judgment or determination. After the owner has obtained a court judgment or other process allowing them to evict the family, SLHA will continue to make HAP payments to the owner until the family actually moves from the unit or until the family is physically evicted from the unit, whichever is earlier. The owner must inform SLHA of the date when the family actually moves from the unit or the family is physically evicted from the unit.

#### **27.4 Breach of HAP Contract**

Any of the following actions by the owner constitutes a breach of the HAP contract:

- If the owner violates any obligations under the HAP contract, including failure to maintain the unit in accordance with HQS
- If the owner has violated any obligation under any other HAP contract under Section 8
- If the owner has committed fraud, bribery or any other corrupt or criminal acts in connection with any federal housing program
- For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable program or if the owner has committed fraud, bribery or any other corrupt or criminal acts in connection with the mortgage or loan
- If the owner has engaged in drug-related criminal activity
- If the owner has committed any violent criminal activity
- The owner engages in or threatens abusive or violent behavior toward SLHA personnel
  - Abusive or violent behavior towards SLHA 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.

Prior to taking action, SLHA will consider all of the relevant factors, including the seriousness of the breach, the effect on the family, the owner's record of compliance and the number and seriousness of any prior HAP contract violations. If SLHA determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract. SLHA rights and remedies against the owner under the HAP contract include recovery of any HAP overpayment, suspension of payments, abatement or reduction of payment, termination of the payment or termination of the HAP contract.

SLHA will provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract. The notice will provide the reasons for the determination. The notice may require the owner to take corrective action by an established deadline.

## Chapter 28 Family Debts to SLHA

[24 CFR 982.552]

### 28.1 Overview

When an action or inaction of a participating family results in the overpayment of housing assistance, SLHA will hold the family liable to return any overpayments to SLHA. SLHA may enter into repayment agreements. When the family refuses to repay monies owed to SLHA, SLHA may utilize other available collection alternatives. This chapter describes SLHA's policies for the recovery of overpayments on behalf of a family. It is SLHA's policy to meet the informational needs of families and to communicate the program rules in order to avoid owner and family debts.

### 28.2 Methods of Collection

When families owe money to SLHA, SLHA will make every effort to collect it. SLHA will use a variety of collection tools to recover debts, including, but not limited to:

- Requests for lump sum payments
- Civil suits
- Repayment agreements
- Collection agencies
- Report of debt to HUD information systems

### 28.3 Family Debts to SLHA

Any amount owed to SLHA by an HCV family must be repaid by the family. If the family is unable to repay the debt within 30 days, SLHA may offer to enter into a repayment agreement in accordance with the policies below. If the family refuses to repay the debt, does not enter into a repayment agreement or breaches a repayment agreement, SLHA will terminate assistance in accordance with the policies in Chapter 29 and pursue other modes of collection.

### 28.4 Repayment Agreement

The term repayment agreement refers to a formal written document signed by the family and provided to SLHA in which the family acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods. There are some circumstances in which SLHA may not enter into a repayment agreement. They are:

- If the family already has a repayment agreement in place
- If SLHA determines that the family committed program fraud
- If SLHA determines that the debt amount is larger than can be paid back by the family within 12 months

#### 28.4.1 General Repayment Agreement Guidelines for Families

##### **28.4.1.1 Down Payment Requirement**

Before executing a repayment agreement with a family, SLHA will generally require a down payment of 10 percent of the total amount owed. If the family can provide evidence satisfactory to SLHA that a down payment of 10 percent would impose an undue hardship, SLHA may, in its sole discretion, require a lesser percentage or waive the requirement.

#### **28.4.1.2 Execution of the Agreement**

Any repayment agreement between SLHA and a family must be signed and dated by the Executive Director or his/her designee and by the head of household and spouse/co-head (if applicable).

#### **28.4.1.3 Due Dates**

All payments are due by the close of business on the first business day of the month.

#### **28.4.1.4 Late or Missed Payments**

If a payment is 30 days late the repayment agreement will be considered in default and SLHA will terminate assistance in accordance with the policies in Chapter 29. To avoid termination of assistance the family must pay the balance of the repayment agreement to SLHA prior to the effective date of the termination.

#### **28.4.1.5 Moves with a Repayment Agreement**

No family move will be approved until the debt is paid in full unless the move is the result of the following causes and the repayment agreement is current:

- Family size exceeds the HQS maximum occupancy standards
- The HAP contract is terminated due to owner non-compliance or opt-out
- A natural disaster or other health and safety reason

#### **28.4.1.6 No Offer of Repayment Agreement**

SLHA will enter into only one repayment agreement with the family. If a family incurs any new debts, SLHA will demand immediate full payment of the new debt. If the family fails to pay the debt, SLHA will terminate assistance to the family.

#### **28.4.1.7 Repayment Agreements Involving Improper Payments**

SLHA will include the following provisions in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which SLHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family must not only pay to SLHA the monthly payment amount specified in the agreement, but must also pay to the owner the family's monthly share of the rent to owner
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases, but in no case to exceed a 12 month repayment period
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance

### **28.5 Program Fraud**

Families who owe money to SLHA due to the family's failure to report increases in income will be required to repay in accordance with the guidelines in the repayment agreement. If the family owes an amount which equals or exceeds \$10,000 as a result of program fraud, the case will be referred to the Inspector General. Where appropriate, SLHA will refer the case for criminal prosecution. SLHA will not enter into any repayment agreement when fraud has been reported to the Inspector General.

## **Chapter 29 Termination of Assistance**

[24 CFR 982.455 982.552, 982.553]

### **29.1 Overview**

SLHA may terminate assistance for a family because of the family's action or failure to act. SLHA will provide families with a written description of the Family Obligations under the program, the grounds under which SLHA can terminate assistance and SLHA's informal hearing procedures. This chapter describes SLHA's policies for the termination of assistance under an outstanding HAP contract.

### **29.2 Family No Longer Requires Assistance**

As a family's income increases, the amount of SLHA subsidy decreases. If SLHA provides no HCV assistance for 180 consecutive calendar days, the family's assistance terminates automatically.

### **29.3 Family Chooses to Terminate Assistance**

The family may request that SLHA terminate their assistance at any time. The request to terminate assistance should be made in writing and signed by the head of household, spouse and co-head.

### **29.4 Mandatory Termination of Assistance**

SLHA will terminate assistance in the following circumstances.

#### **29.4.1 Eviction**

SLHA will terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. As discussed further in this chapter, 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 is evicted if the family moves after a legal eviction order or judgment 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, SLHA 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. Upon consideration of such alternatives and factors, SLHA may 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, or living or housekeeping habits that cause damage to the unit or premises and criminal activity.

#### **29.4.2 Failure to Provide Consent**

SLHA will terminate assistance if any family member fails to sign and submit any consent form required for reexamination.

#### **29.4.3 Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]**

SLHA will terminate assistance if:

- A family fails to submit required documentation within the required time frame concerning any family member's citizenship or immigration status
- A family submits evidence of citizenship and eligible immigration status in a timely manner, but the United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family
- A family member, as determined by SLHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit

#### **29.4.4 Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c)]**

SLHA will 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. SLHA may 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.

#### **29.4.5 Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]**

SLHA will terminate assistance if any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally assisted housing.

#### **29.4.6 Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5)]**

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 HCV assistance as of November 30, 2005, SLHA will 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, SLHA will not terminate the eligible student, but will issue the eligible student a voucher to move with continued assistance or the opportunity to lease in place if the ineligible student members elect to move out of the assisted unit.

#### **29.4.7 Death of the Sole Family Member [24 CFR 982.311(d)]**

SLHA will immediately terminate program assistance for deceased single member households. The assistance will terminate the last day of the month in which the person died.

#### **29.4.8 Registered Sex Offenders**

SLHA will terminate assistance if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.



## **29.5 Termination of Assistance for Drug or Alcohol Abuse and Criminal Activity**

### **29.5.1 Use of Illegal Drugs and Alcohol Abuse**

SLHA 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. SLHA will also 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.

Currently engaged in is defined as any use of illegal drugs during the previous six months. SLHA will consider all credible evidence, including, but not limited to, convictions, evictions of household members related to the use of illegal drugs or abuse of alcohol, police reports, indictments, criminal informations or personal testimony.

### **29.5.2 Drug-Related and Violent Criminal Activity [24 CFR 5.100]**

SLHA will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program. Drug-related criminal activity is defined as the illegal manufacture, sale, distribution, or use of a drug or the possession of a drug with intent to manufacture, sell, distribute or use the drug. Violent criminal activity means any criminal activity that has as one of its elements the use, attempted use or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

### **29.5.3 Factors Considered in Termination Assistance for Drug or Alcohol Abuse and Criminal Activity**

In making its decision to terminate assistance, SLHA will consider alternatives as described in Section 29.8. In addition, SLHA will consider all credible evidence, including, but not limited to, convictions, evictions or notices to evict based on drug-related or violent criminal activity, police reports, indictments, criminal informations and personal testimony. Upon consideration of such alternatives and factors, SLHA may choose not to terminate assistance.

## **29.6 Other Authorized Reasons for Termination of Assistance [24 CFR 982.552(c)]**

SLHA may terminate assistance under a number of other circumstances. SLHA may terminate a family's assistance if:

- The family violates any family obligations as described in Chapter 17 (Section 29.5 addresses termination of assistance for crime by family members)
- Any member of the family has been evicted from federally assisted housing in the last five years
- Assistance has ever been terminated under the program for any member of the family
- Any member of the family has committed fraud, bribery or any other corrupt or criminal act in connection with any Federal housing program
- The family currently owes rent or other amounts to SLHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Housing Act
- The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit or other amounts owed by the family under the lease
- The family breaches an agreement with SLHA to pay amounts owed to SLHA
- The family has engaged in or threatened abusive or violent behavior toward SLHA personnel

- Abusive or violent behavior towards SLHA 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
- A welfare-to-work (WTW) family fails, willfully and persistently, to fulfill its obligations under the welfare-to-work voucher program

#### **29.6.1 Family Absence from the Unit**

If the entire family is absent from the unit for more than 30 consecutive calendar days, the family's assistance will be terminated unless SLHA grants prior written approval. The family may be absent from the unit for brief periods. Absence in this context means that no member of the family is residing in the unit.

#### **29.6.2 Insufficient Funding**

If SLHA determines there is a shortage of funding, prior to terminating any HAP contracts, SLHA will determine if any other actions can be taken to reduce program costs. If after implementing all reasonable cost-cutting measures there is not enough funding available to provide continued assistance for current participants, SLHA will terminate HAP contracts as a last resort. Prior to terminating any HAP contracts, SLHA will inform the local HUD field office. SLHA will terminate the minimum number needed in order to reduce HAP costs to a level within SLHA's annual budget authority.

#### **29.6.3 Missed Appointments and Deadlines**

It is a family's obligation to supply information, documentation and certification as needed for SLHA to fulfill its administrative responsibilities. SLHA schedules appointments and sets deadlines in order to obtain the required information. An applicant or participant who fails to keep an appointment or to supply information required by a deadline without SLHA approval may be sent a notice of termination for failure to provide required information. Acceptable reasons for missing appointments or failing to provide information by deadlines are family and medical emergencies or other reasons that are beyond the family's control.

The family will be given two appointments to provide the required information before being issued a notice of termination for breach of this family obligation. After issuance of the termination notice, if the family provides the required information before the termination effective date, the notice will be rescinded.

Family obligations also require that the family allow SLHA to inspect the unit, and appointments are made for this purpose. An applicant or participant who fails to keep the appointment to inspect the unit may be issued a notice of termination. The family will be given two appointments for inspection of the unit before being issued a notice of termination. Acceptable reasons for missing inspection appointments are family and medical emergencies or other reasons that are beyond the family's control.

## **29.7 Approach to Termination of Assistance**

### **29.7.1 Method of Termination**

The way in which SLHA terminates assistance depends upon individual circumstances. HUD permits SLHA to terminate assistance by:

- Terminating housing assistance payments under a current HAP contract
- Refusing to approve a request for tenancy or to enter into a new HAP contract
- Refusing to process a request for or to provide assistance under portability procedures

### **29.7.2 Criteria for Deciding to Terminate Assistance**

#### ***29.7.2.1 Consideration of Circumstances [24 CFR 982.552(c)(2)(i)]***

SLHA may consider all relevant circumstances when determining whether a family's assistance should be terminated. SLHA will consider the following factors when making its decision to terminate assistance:

- The seriousness of the case
- The effects that termination of assistance may have on other members of the family who were not involved in the action or failure
- 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
- 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
  - SLHA 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

#### ***29.7.2.2 Standard of Proof***

SLHA 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 is not determined by the number of witnesses, but by the greater weight of all evidence.

### **29.7.3 Reasonable Accommodation [24 CFR 982.552(c)(2)(iv)]**

If the family includes a person with disabilities, SLHA's decision to terminate the family's assistance is subject to consideration of reasonable accommodation. If a family indicates that the behavior of a family member with a disability is the reason for a proposed termination of assistance, SLHA will determine whether the behavior is related to the disability. If so, upon the family's request, SLHA will determine whether alternative measures are appropriate as a reasonable accommodation. SLHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed termination of assistance. See Chapter 2 for a discussion of reasonable accommodation.

#### **29.7.4 Terminations Related to Domestic Violence, Dating Violence, Sexual Assault or Stalking**

##### ***29.7.4.1 Violence Against Women Act (VAWA) Protections against Termination***

VAWA provides specific protections against termination of HCV assistance for victims of domestic violence, dating violence, sexual assault or stalking. Those protections are as follows:

- SLHA 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 SLHA, 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 and would suffer further violence if he or she remained in the unit
- 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
- Criminal activity directly related to domestic violence, dating violence, sexual assault or stalking may not be construed as cause for terminating the assistance of a family if a member of the household, a guest, or another person under the family's control is the one engaging in the criminal activity and a family member is the actual or threatened victim of the domestic violence, dating violence, sexual assault or stalking
- SLHA may terminate assistance to any 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

##### ***29.7.4.2 Limitations on VAWA Protections***

SLHA may terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault or stalking so long as SLHA does not subject the victim to a more demanding standard than it applies to other program participants. In addition, SLHA may terminate the assistance of a victim of domestic violence, dating violence, sexual assault or stalking if SLHA can demonstrate an actual and imminent threat to other residents or those employed at or providing service to the assisted property if the victim is not terminated from assistance.

Actual and imminent threat means words, gestures, actions or other indicators of a physical threat that is real, would occur within an immediate time frame and 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:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur

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

#### **29.7.4.3 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, SLHA will request that the individual provide documentation supporting the claim. SLHA 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, SLHA will document the waiver in the individual's file.

#### **29.7.4.4 Terminating the Assistance of a Domestic Violence Perpetrator**

SLHA will terminate assistance to a family member if SLHA 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, non-culpable family members. In making its decision, SLHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-50066) or other documentation of abuse submitted by the victim. SLHA will also consider the factors in Section 29.7.3.1. Upon such consideration, SLHA may choose not to terminate the assistance of the culpable family member.

### **29.8 Alternatives to Termination of Assistance**

#### **29.8.1 Change in Household Composition**

As a condition of continued assistance, SLHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit. 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 SLHA request.

#### **29.8.2 Repayment of Family Debts**

If a family owes a debt to SLHA, SLHA will require the family to repay the full amount or to enter into a repayment agreement within 30 days of receiving notice from SLHA of the amount owed.

### **29.9 Termination Notice**

If a family's assistance is to be terminated, SLHA will give the family and the owner written notice that specifies:

- The reasons for which assistance has been terminated
- The effective date of the termination
- The family's right to an informal hearing as described in Chapter 30

When termination is initiated by SLHA, the notice to terminate will be sent to the family and the owner at least 30 calendar days prior to the effective date of the termination. However, if a family vacates the unit without informing SLHA, 30 days notice will not be given. In these cases, the notice to terminate will be sent at the time SLHA learns the family has vacated the unit. When a family requests to be terminated from the program they must do so in writing to SLHA. SLHA will then send a confirmation notice to the family and the owner within 10 business days of the family's request, but no later than the termination effective date (as requested by the family).

## Chapter 30 Informal Hearings

[24 CFR 982.555]

### 30.1 Introduction

SLHA will offer an informal hearing for certain SLHA determinations relating to the individual circumstances of a participant family. The purpose of the informal hearing is to consider whether SLHA's decisions related to the family's circumstances are in accordance with the law, HUD regulations and SLHA policies. SLHA will not terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed and any requested hearing has been completed.

### 30.2 Decisions Subject to Informal Hearing

Circumstances for which SLHA will give a participant family an opportunity for an informal hearing are as follows:

- A determination of the family's annual or adjusted income and the use of such income to compute the housing assistance payment
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from SLHA's utility allowance schedule
- A determination of the family's unit size under SLHA's subsidy standards
- A determination to terminate assistance for a participant family because of the family's actions or failure to act
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under SLHA policy and HUD rules

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by SLHA
- General policy issues or class grievances
- Establishment of SLHA's schedule of utility allowances for families in the program
- SLHA's determination not to approve an extension or suspension of a voucher term
- SLHA's determination not to approve a unit or tenancy
- SLHA's determination that a unit selected by the participant is not in compliance with the HQS
- SLHA's determination that the unit is not in accordance with HQS because of family size
- A determination by SLHA to exercise or not to exercise any right or remedy against an owner under a HAP contract

### 30.3 Informal Hearing Procedures

#### 30.3.1 Notice to the Family [24 CFR 982.555(c)]

When SLHA makes a decision that is subject to informal hearing procedures, SLHA will inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance and the determination of the family's unit size, SLHA will notify the family that they may ask for an explanation of the basis of the determination and that if they do not agree with the decision they may request an informal hearing on the decision.

For decisions related to the termination of the family's assistance or the denial of a family's request for an exception to SLHA's subsidy standards, the notice will contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision they may request an informal hearing on the decision and a statement of the deadline for the family to request an informal hearing.

In cases where SLHA makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following:

- SLHA's proposed action or decision
- A brief statement of the reasons for the decision, as applicable
- The date the proposed action will take place
- A statement that if the family does not agree with the decision they may request an informal hearing of the decision
- A deadline for the family to request the informal hearing
- To whom the hearing request should be addressed

### **30.3.2 Scheduling an Informal Hearing [24 CFR 982.555(d)]**

A request for an informal hearing must be made in writing and delivered to SLHA either in person or by first class mail, by the close of the business day, no later than 10 business days from the date of SLHA's decision or notice that gives rise to the right for the informal hearing. SLHA will schedule and send written notice of the informal hearing to the family within 10 business days of the family's request. The family may request to reschedule a hearing for good cause or, if it is needed, as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict, which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, SLHA may request documentation of the good cause prior to rescheduling the hearing.

### **30.3.3 Pre-Hearing Right to Discovery [24 CFR 982.555(e)]**

Participants and SLHA are permitted pre-hearing discovery rights. The family will be given the opportunity to examine any SLHA documents that are directly relevant to the hearing. The family will be allowed to copy any such documents at their own expense. If SLHA does not make the document available for examination on request of the family, SLHA may not rely on the document at the hearing. The family must request discovery of SLHA documents no later than 12:00 p.m. on the business day prior to the scheduled hearing date.

SLHA will be given the opportunity to examine any documents from the family that are directly relevant. The family must make the documents available prior to the hearing. SLHA will be allowed to copy any such documents at their own expense. If the family does not make the document available for examination on request of SLHA, the family may not rely on the document at the hearing.

### **30.3.4 Participant's Right to Bring Counsel [24 CFR 982.555(e)(3)]**

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

### **30.3.5 Informal Hearing Officer [24 CFR 982.555(e)(4)]**

Informal hearings will be conducted by a person or persons approved by SLHA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

### **30.3.6 Attendance at the Informal Hearing**

Hearings may be attended by a hearing officer and the following applicable persons:

- SLHA representative(s) and any witnesses for SLHA
- The participant and any witnesses for the participant
- The participant's counsel or other representative
- Any other person approved by SLHA as a reasonable accommodation for a person with a disability

### **30.3.7 Conduct at Hearings**

The hearing officer is responsible to ensure that hearings are conducted in a professional and business-like manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

### **30.3.8 Evidence [24 CFR 982.555(e)(5)]**

SLHA and the family will be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. Any evidence to be considered by the hearing officer must be presented at the time of the hearing. If either SLHA or the family fails to comply with the discovery requirements described above, the hearing officer will refuse to admit such evidence. Other than the failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

### **30.3.9 Hearing Officer's Decision [24 CFR 982.555(e)(6)]**

#### ***30.3.9.1 Hearing Officer's Considerations***

In rendering a decision, the hearing officer will consider the following:

- SLHA's Notice to the Family: The hearing officer will determine if the reasons for SLHA's decision are factually stated in the Notice
- Evidence to Support SLHA's Decision: The hearing officer will evaluate the facts to determine if they support SLHA's conclusion
- Validity of Grounds for Termination of Assistance (when applicable): The hearing officer will determine if the termination of assistance is for one of the grounds specified in the HUD regulations and SLHA policies
  - If the grounds for termination are not specified in the regulations or in compliance with SLHA policies, then the decision of SLHA will be overturned

#### ***30.3.9.2 Contents of the Hearing Officer's Decision***

The hearing officer will issue a written decision to the family and SLHA as soon as practicable after the hearing. The report will contain the following information:



- Hearing information:
  - Name of the participant
  - Date, time and place of the hearing
  - Name of the hearing officer
  - Name of SLHA representative
  - Name of the family's representative (if any)
- Background: A brief, impartial statement of the reason for the hearing
- Summary of the Evidence: The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of his/her testimony and that are admitted into evidence
- Findings of Fact: The hearing officer will include all findings of fact based on a preponderance of the evidence
- Conclusions: The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence
  - The conclusion will result in a determination of whether these facts uphold SLHA's decision
- Order: The decision will include a statement of whether SLHA's action is upheld or overturned
  - If it is overturned, the hearing officer will instruct SLHA to change the action in accordance with the hearing officer's determination
  - In the case of termination of assistance, the hearing officer will instruct SLHA to terminate the family from the HCV program

#### **30.3.10 Procedures for Further Hearing**

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of SLHA will take effect and another hearing will not be granted.

#### **30.3.11 SLHA Notice of Final Decision [24 CFR 982.555(f)]**

SLHA is not bound by the decision of the hearing officer for matters in which SLHA is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements or are otherwise contrary to federal, state or local laws. If SLHA determines that it is not bound by the hearing officer's decision in accordance with HUD regulations, SLHA will promptly notify the family of the determination and the reason for the determination.

### **30.4 Hearing and Appeal Provisions for Non-Citizens [24 CFR 5.514]**

Denial of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review. Assistance to a family may not be denied while the hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

#### **30.4.1 USCIS Appeal Process**

When SLHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, SLHA will notify the family in writing within 10 business days of the results of

the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide SLHA with a copy of the written request for appeal and the proof of mailing. The USCIS will notify the family, with a copy to SLHA, of its decision. When the USCIS notifies SLHA of the decision, SLHA will send written notice to the family of its right to request an informal hearing within 10 business days. The family may also request a hearing with SLHA in lieu of an appeal to the USCIS. The request for a hearing must be made within 30 days of receipt of SLHA's notice of denial.

#### **30.4.2 Informal Hearing Procedures for Applicants [24 CFR 5.514(f)]**

The informal hearing procedures for applicant families are described below.

##### ***30.4.2.1 Informal Hearing Officer***

SLHA will provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review and other than a person who is a subordinate of the person who made or approved the decision.

##### ***30.4.2.2 Evidence***

The family must be provided the opportunity to examine and copy, at the family's expense and at a reasonable time in advance of the hearing, any documents in the possession of SLHA pertaining to the family's eligibility status or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing. The family will be allowed to copy any documents related to the hearing at a cost of \$.10 per page. The family must request discovery of SLHA documents no later than 12:00 p.m. on the business day prior to the hearing. The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. The family must also be provided the opportunity to refute evidence relied upon by SLHA and to confront and cross-examine all witnesses on whose testimony or information SLHA relies.

##### ***30.4.2.3 Representation and Interpretive Services***

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf. The family is entitled to arrange for an interpreter to attend the hearing, at the expense of the family, or SLHA, as may be agreed upon by the two parties.

##### ***30.4.2.4 Recording of the Hearing***

The family is entitled to have the immigration status termination hearing recorded by audiotape. SLHA will not provide a transcript of an audio taped hearing.

##### ***30.4.2.5 Hearing Decision***

SLHA will provide the family with a written final decision, based solely on the facts presented at the hearing, within 14 calendar days after the date of the informal hearing. The decision must state the basis for the decision.

##### ***30.4.2.6 Retention of Documents***

SLHA will retain for a minimum of five years the following documents that may have been submitted to SLHA by the family, or provided to SLHA as part of the USCIS appeal or SLHA informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

## **Chapter 31 Project-Based Voucher Program**

[24 CFR 983]

### **31.1 Introduction**

The project-based voucher (PBV) program allows SLHA 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. PBV assistance may be attached to existing housing, newly constructed or rehabilitated housing. SLHA 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 its annual budget authority.

### **31.2 Selection of Owner Proposals [24 CFR 983.51 (d)]**

When SLHA determines that developments including project-based vouchers will create additional resources to satisfy the community's housing needs, it may initiate the owner selection process. SLHA's selection policy outlines the procedures by which SLHA will select units to receive rental assistance through its PBV program.

#### **31.2.1 Selection of Owners – Request For Proposal Process**

From time to time SLHA may issue a formal Request for Proposals (RFP) inviting proposals from owners that seek commitments of project-based vouchers that meet the housing goals of SLHA as stated in Section 1.3 of this Plan. Generally, the selection criteria in each RFP shall include the following:

- Financial feasibility of the project
- The capacity of the proposed development team to complete the project (for new construction and substantial rehabilitation only)
- The extent to which the project satisfies the current housing needs that are specifically outlined in the RFP
- The participation of minority/women and Section 3 business and workforce
- The extent to which the project meets threshold regulatory requirements, including the cap on the number of units, subsidy layering analysis, neighborhood and site standards and environmental requirements
- The extent to which the proposal satisfies other project specific criteria outlined in the RFP

Specific project selection criteria shall be described in each RFP, along with numerical weights indicating the priority of each selection criteria chosen. The RFP process shall be conducted by SLHA's Procurement Department and shall include a panel of evaluators representing SLHA staff. Each RFP response shall be scored according to the weighted selection criteria identified in the initial RFP and the projects ranked from highest to lowest score.

SLHA will advertise in a newspaper of general circulation that SLHA will accept applications for assistance under a PBV program for specific projects. The advertisement will be published stating the following:

- Application deadline (at least 30 days after the last published date of advertisement)
- Detailed application and selection information will be provided at the request of interested parties

- Number of units SLHA estimates it will be able to assist under the funding it is making available for this purpose
- Only applications submitted in response to the advertisement will be considered

Before selection of a PBV proposal, SLHA will determine that the proposal complies with program regulations and requirements, including the determination that the property is eligible housing, complies with the cap on the number of PBV units per building and meets the site selection standards.

Owner applications will be accepted until the published deadline indicated on the RFP. SLHA will date and time stamp all applications upon receipt. Applications received after the published deadline date will not be accepted, even if the submission is postmarked before the due date. Owner applications are to be completed using the forms and/or format described in the RFP.

Once proposals are received, SLHA will review the proposals in a reasonable time. If there are no SLHA-owned or controlled applicants, a Selection Panel appointed by the Executive Director will review, evaluate and rank the applications according to the selection criteria outlined in the RFP. Upon completion of the review, the projects that meet the standards outlined in the RFP will be selected for implementation. Once the selection is complete, all owners submitting proposals will be notified of the results of the selection process. All documentation regarding the selection process is available for public inspection once the selection process is complete.

Projects that are owned, controlled or developed in cooperation with SLHA shall be eligible to respond to any RFP issued by SLHA. Proposals submitted by SLHA, an SLHA-affiliate, developer or consultant engaged by SLHA to redevelop public housing or other affordable housing, must conform to the submission guidelines stated in the full RFP document and shall be evaluated under the same selection criteria as all other proposals. No SLHA employee responsible for preparing the response to the RFP or involved in the project that is the subject of the application shall be involved in the Selection Panel.

SLHA owned units may be assisted under the PBV program only after approval of the HUD field office or HUD approved independent third party has reviewed the selection process and determined that the units were appropriately selected based on the selection procedures.

All projects awarded project-based Section 8 subsidy must be developed and operated in a manner consistent with HUD regulations.

SLHA will provide public notice by publication of any awards involving this process in a local newspaper of general circulation.

### **31.2.2 Selection of Owner – Previously Approved Project Process [24 CFR §983.51(b)(2)]**

From time to time SLHA may determine that proposed housing assisted under another federal, state or local government housing assistance program meets the community's housing needs and is appropriate for project-based assistance.

SLHA may award project-based assistance to such projects if the program requires a competitive selection process and the project was selected under the other program's process within three years of the project's selection for project-based assistance. The project may only be selected to receive assistance if the original competitive selection did not involve any consideration that the project would receive project-based assistance. The project must also meet the threshold regulatory requirements. SLHA will provide public notice by publication of any awards involving this process in a local newspaper of general circulation.

### **31.3 Housing Type [24 CFR 983.52]**

PBV assistance may be used in existing units and for newly constructed or rehabilitated housing.

### **31.4 Ineligible Units [24 CFR 983.53]**

PBV assistance may not be attached to or used to pay assistance for units in the following types of housing:

- Shared housing
- Units on the grounds of a penal reformatory, medical or similar public or private institution
- Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care or intermediate care
- Units that are owned or controlled by an educational institution or its affiliate designed for occupancy by students
- Manufactured homes
- Transitional Housing
- Owner-occupied unit

### **31.5 Prohibition of Assistance for Subsidized Housing [24 CFR 983.54]**

PBV assistance may not be attached or used to pay assistance to the following types of subsidized housing:

- A Public Housing dwelling unit
- A unit subsidized with other forms of Section 8 assistance
- A unit subsidized with any government subsidy that pays part of the rent
- A unit subsidized with any subsidy that covers all or any part of the operating costs of the housing
- A unit subsidized with Section 236 rental assistance (except for interest reduction)
- A unit subsidized with Section 521 rental assistance
- A Section 202 project for non-elderly persons with disabilities
- Section 811 project-based supportive housing for persons with disabilities
- Section 202 supportive housing for the elderly
- A unit subsidized with any form of tenant-based rental assistance as defined at 24 CFR 982.1 (b) (2)
- A unit with any other duplicative federal, state or local housing subsidy as determined by HUD or SLHA

### **31.6 Excess Public Assistance [24 CFR 983.55]**

SLHA may not enter into an A HAP contract until HUD or an independent entity approved by HUD has conducted a subsidy layering review and has determined that assistance is in accordance with HUD subsidy layering requirements.

The layering review is intended to prevent excessive public assistance by combining the PBV program with other housing assistance from federal, state or local agencies, including assistance such as tax concessions or tax credits. Existing Housing projects that are awarded project based vouchers are not required to undergo subsidy layering approval.

### **31.7 Cap on Number of PBV Units [24 CFR 983.56]**

Under the PBV program, no more than 25 percent of the number of units in any project may be assisted by PBV HAP assistance and no more than 20 percent of SLHA HCV program can be provided in the form of project-based assistance. The exception to the unit per project cap is as follows:

- Assisted units in a single family building (buildings that contain 4 or fewer units)
- Excepted units in a multifamily building

Excepted units are units that are specifically made available for qualifying families. Qualifying families are defined as elderly or disabled families or families receiving supportive services. Housing with supportive services includes, but is not limited to, the services listed below. To be eligible for this exception, at least one family member must be receiving at least one of the services listed:

- Child care/Daycare
- In-home services
- Personal care
- Taking On Our Life Skills (TOOL's)
- Remedial education
- Education for completion of secondary or post-secondary schooling
- Job training and employment counseling
- Substance/alcohol abuse treatment or counseling
- Household skill training
- Homeownership counseling
- Enrolled in SLHA's FSS Program

The project owner will be responsible for regularly monitoring the supportive services requirements for the excepted units and must submit, at least annually, a report listing the families receiving the services, the types of services provided and accessed, status of participation and the frequency of that access.

### **31.8 Relocation Requirements [24 CFR 983.7]**

Any persons displaced as a result of implementation of the PBV program must be provided relocation assistance in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA)[42 U.S.C. 4201-4655] and implementing regulations at 49 CFR part 24. The cost of required relocation assistance may be paid with funds provided by the owner, local public funds or funds available from other sources. SLHA will not use voucher program funds to cover relocation costs.

### **31.9 Housing Accessibility for Persons with Disabilities [24 CFR 983.102]**

The housing must comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. SLHA will ensure that the percentage of accessible dwelling units complies with the requirements of Section 504. Housing first occupied after March 13, 1991 must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable.

### **31.10 Site Selection [24 CFR 983.57]**

In considering projects for the PBV program, SLHA must ensure that the project in question is consistent with the goals of deconcentrating poverty and expanding housing and economic opportunity. SLHA will consider the following in making such a determination:

- Whether the census tract in which the proposed PBV development will be located is in a HUD-designated Enterprise Zone, Economic Community or Renewal Community
- Whether a 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
- Whether the census tract in which the proposed PBV development will be located is undergoing significant revitalization
- Whether state, local or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement
- Whether 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
- If the poverty rate in the area where the proposed PBV development will be located is greater than 20 percent, the SLHA should consider whether in the past five years there has been an overall decline in the poverty rate
- Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located
- The site is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d(4)) and HUD's implementing regulations at 24 CFR part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601-3629); and HUD's implementing regulations at 24 CFR parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959-1963 Comp., p. 652), HUD's implementing regulations at 24 CFR part 107 and Section 504 site selection requirements described in 24 CFR 8.4(b) (5)
- The site meets the HQS site standards at 24 CFR 982.401(1)

### **31.11 Environmental Review [24 CFR 983.58]**

Prior to the receipt of project based assistance, each project must have a completed approved environmental review that complies with either 24 CFR part 50 or 24 CFR part 58.

### **31.12 Inspecting Units [24 CFR 983.103]**

#### **31.12.1 Pre-Selection Inspection**

SLHA will conduct pre-selection inspections of the site prior to the proposal selection.

#### **31.12.2 Inspection of Existing Units**

If the units to be assisted already exist, SLHA, based on unit inspections, will determine if they substantially comply with HQS. If the units do not substantially comply with HQS on the proposal selection date, the units will not be considered existing housing. All units must comply with HQS prior to execution of the HAP Contract.



### **31.12.3 Pre-HAP Contract Inspections**

SLHA will conduct an HQS inspection of each unit before the execution of a HAP contract. SLHA will not enter into a HAP contract for a project (or stage of a project) until all units (in the stage, if applicable) pass the HQS inspection.

### **31.12.4 Turnover Inspections**

Before providing assistance to a new family in a contract unit, SLHA will inspect the unit and will not provide assistance until the unit completely complies with HQS.

### **31.12.5 Biennial Inspections**

At least biennially during the term of the HAP contract, SLHA will inspect a random sample, at least 20 percent of the contract units in each building, to determine if the contract units and the premises are maintained in accordance with HQS. If more than 20 percent of the biennial sample of inspected units fail the inspection, SLHA will re-inspect 100 percent of the contract units in the building.

### **31.12.6 Other Inspections**

SLHA 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. These inspections include:

- Complaint inspections
- Follow-up inspections
- Quality control inspections

Inspection of all units owned by SLHA will be performed by an independent agency designated in accordance with 24 CFR 983.59.

## **31.13 Agreement to Enter Into HAP Contract [24 CFR 983.152]**

PBV projects selected for assistance under the PBV program that are newly constructed or rehabilitated must enter into an Agreement to Enter into a HAP Contract (AHAP) with SLHA. In the AHAP, the owner agrees to develop the units in compliance with HQS and SLHA agrees that upon timely completion of the development and in accordance with the terms of the agreement SLHA will enter into a HAP contract with the owners. SLHA will not enter into an AHAP with the owner until SLHA has obtained excess subsidy layering and environmental review approval from HUD.

### **31.13.1 Additional Requirements for New Construction and Rehabilitation**

#### ***31.13.1.1 Labor Standards [24 CFR 983.154(b)]***

If an AHAP 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. The HUD-prescribed form of the AHAP will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates. 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. SLHA will monitor compliance with labor standards if another agency providing federal funds is already providing such monitoring.

**31.13.1.2 Equal Opportunity [24 CFR 983.154(c)]**

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. The owner will also comply with federal equal employment opportunity requirements.

**31.13.1.3 Owner Disclosure [24 CFR 983.154(d) and (e)]**

The AHAP 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. The owner will also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract or HUD regulations.

**31.14 Acceptance of Completed Units**

Once all development activity is completed by the owner, SLHA will inspect the units to determine that the housing is in compliance with HQS and that the owner has submitted all required evidence of completion. If it is determined that all work has been completed in accordance with the AHAP and the owner has submitted all required evidence of completion, SLHA will execute a HAP contract with the owner.

**31.15 Execution of the HAP Contract [24 CFR 983.204]**

**31.15.1 Existing Housing**

In the case of existing housing, SLHA will execute the HAP contract after the selection of the owner's proposal, environmental review and the successful completion of an HQS inspection.

**31.15.2 Newly Constructed or Rehabilitated Housing**

In the case of newly constructed or rehabilitated housing, the HAP contract will be executed after all the assisted units have been inspected and it has been determined that the units have been completed in accordance with the AHAP and all required evidence of completion is accepted by SLHA.

**31.15.3 Term of HAP**

The initial term of the HAP contract will be for up to 15 years. SLHA may agree to extend the term of the contract for a renewal term of up to an additional 15 years if SLHA determines the extension continues to provide affordable housing for low-income families.

**31.15.4 HAP Contract Amendments**

HAP Contract Amendments shall be entered into in accordance with the regulations at 24 CFR Part 983.

**31.15.5 Staged Completion of Contract Units**

If the contract units are placed under the HAP contract in stages commencing on different dates, a single anniversary date for all contract units under the HAP contract will be established. The anniversary for all contract units will be the annual anniversary date for the first contract unit placed under the HAP contract. The expiration of the HAP contract for all contract units completed in stages will be concurrent with the end of the HAP contract term for the units originally placed under the HAP contract.

### **31.16 Rent Determination**

In general, the rent for a PBV unit will not exceed the lowest of 110 percent of the published HUD Fair Market Rents (or any approved exception payment standard approved by HUD) minus the utility allowance; the reasonable rent or the rent requested by the owner.

SLHA may decide to impose a lower maximum rent (such as 100 percent of Fair Market Rents, or SLHA payment standard) in any RFP it publishes or prior to the selection of any project under Section 31.2.2.

Rent reasonableness will be determined in accordance with Chapter 21 and 24 CFR 983.303. The Family's portion of the rent shall be calculated in accordance with this Administrative Plan.

HUD, or an approved independent third party, shall set the rents for any SLHA-owned PBV project and shall conduct the rent reasonableness for SLHA-owned projects. The exceptions follow in this section.

#### **31.16.1 Certain Tax Credit Units [24 CFR 983.301(c)]**

For certain tax credit units, the rent limits are determined differently than for other PBV units. These different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986
- The contract unit is not located in a qualified census tract
- There are comparable tax credit units of the same bedroom size as the contract units in the same building, and the comparable tax credit units do not have any form of rental assistance other than the tax credit
- The tax credit rent exceeds a SLHA-determined maximum amount

For contract units that meet all of these criteria, the rent to owner will not exceed the lowest of:

- The tax credit rent minus, any utility allowance
- The reasonable rent
- The rent requested by the owner

However, SLHA may use the higher Section 8 rent for a tax credit unit if the tax credit rent is less than the amount that would be permitted under Section 8. In these cases, Section 8 rent reasonableness requirements will continue to be met.

#### **31.16.2 Vacancy Payments [24 CFR 983.352(b)]**

At the discretion of SLHA, the HAP contract may provide for vacancy payments to the owner for a SLHA-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 SLHA 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 family's security deposit). SLHA will decide on a case-by-case basis if SLHA will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.

### **31.16.3 Other Fees and Charges [24 CFR 983.354]**

#### ***31.16.3.1 Meals and Supportive Services***

With the exception of PBV assistance in assisted living developments, the owner may not require the family 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.

#### ***31.16.3.2 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.

### **31.17 How Participants are Selected [24 CFR 983.251]**

#### **31.17.1 Minimization of Displacement**

In order to minimize displacement of in-place families, if a unit to be placed under contract is either an existing unit or one requiring rehabilitation and is occupied by an eligible family on the proposal selection date the in-place family must be placed on SLHA's waiting list. Once the family's eligibility is determined, the family will be given an absolute selection preference and referred to the project owner for an appropriately sized PBV unit in the project. This preference does not apply to families that are not eligible to participate in the program on the proposal selection date.

#### **31.17.2 Site-Based PBV Waiting Lists**

SLHA will utilize a separate site based waiting list for admissions to each project receiving PBV assistance. Once a project is selected, SLHA must offer to place all existing applicants who are listed on the waiting list for tenant-based assistance on the site based waiting list for PBV assistance. Those applicants who choose to be placed on a site based PBV waiting list will be placed on the list in the preference order described in Chapter 6. Owners may also utilize site based preferences if approved by SLHA. Placement on a PBV list has no effect on the applicant's standing on the tenant-based waiting list. Once all the applicants from the tenant-based list that wish to be placed on the list are on the site-based PBV list, SLHA will accept referrals from the owner to populate the waiting list.

#### **31.17.3 Maintaining the PBV Site-Based Waiting List**

SLHA or its designee shall maintain each waiting list with information that permits proper selection from the waiting list. The waiting lists shall contain at a minimum the following information:

- Applicant Name
- Number of family members
- Family Unit Size (number of bedrooms family qualifies for under SLHA subsidy standards)
- Date and time of application
- Qualification for any local preference
- Racial or ethnic designation of the head of household

#### **31.17.4 Order of Selection**

Each site will select applicants from the waiting list by using a ranking preference system in accordance with Chapter 6 of this plan or any site based preferences approved by SLHA. Except that in selecting families to occupy PBV units with special accessibility features for persons with disabilities, SLHA must first refer families who require such accessibility features to the owner.

#### **31.17.5 Preferences for Services Offered**

In selecting families, SLHA may give preference to disabled families who need services offered at a particular project in accordance with the following limits:

- The preference is limited to the population of families (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain themselves in housing; who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing and for whom such services cannot be provided in a non-segregated setting
- Disabled residents shall not be required to accept the particular services offered at the project
- In advertising the project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible persons with disabilities who may benefit from services provided in the project
- The prohibition on granting preferences to persons with a specific disability continues to apply

#### **31.17.6 Income Targeting**

Not less than 75 percent of the families admitted to a SLHA's tenant-based and PBV programs during the fiscal year from the waiting list shall be extremely low-income families. The income-targeting requirements apply to the total of admissions to SLHA's PBV program and tenant-based voucher program during the fiscal year.

### **31.18 Tenant Screening [24 CFR 983.255]**

As vacancies occur at the property, the applicants at the top of the waiting list are referred to the owner. The owner is responsible for the screening and selection of the family to occupy the owner's unit. The owner may consider a family's background with respect to such factors as:

- Payment of rent and utilities
- Caring for a unit and premises
- Respecting the rights of other residents to peaceful enjoyment of their housing
- Drug related criminal activity or other criminal activity that is a threat to the health, safety and property of others
- Compliance with other essential conditions of tenancy

Once an owner has determined that an applicant is suitable for tenancy, the owner will refer the applicant to SLHA to determine if the applicant is eligible.

### **31.19 Eligibility**

Applicant eligibility for PBV assistance is subject to the same requirements as eligibility for tenant-based assistance as provided in Chapter 8. Families that have been determined eligible at the original admission to SLHA's HCV program can participate in the PBV program.

Except for voucher participants determined eligible at the original admission to the HCV program, SLHA will only select families eligible for admissions at the commencement of the PBV assistance.

### **31.20 Offer of PBV Assistance**

If a family refuses the offer of PBV assistance, such refusal does not affect the family's position on the waiting list for tenant-based assistance. If a PBV owner rejects a family for admission to the owner's PBV units, such rejection by the owner does not affect the family's position on the waiting list for tenant-based assistance. SLHA shall not take any of the following actions against an applicant who has applied for, received or refused an offer of PBV assistance:

- Refuse to list the applicant on the waiting list for tenant-based assistance
- Deny any admission preference for which the applicant is currently qualified
- Change the applicant's place on the waiting list based on preference, date and time of application or other factors affecting selection under the selection policy
- Remove the applicant from the waiting list for tenant-based voucher assistance

### **31.21 Information for Accepted Families**

When a family accepts an offer of PBV assistance, SLHA or its designee will give the family an oral briefing. The briefing will include information on the following subjects:

- A description of how the program works
- Family and owner responsibilities
- Information packet that includes
  - How the total tenant payment for a family is determined
  - Family obligations under the program
  - Applicable fair housing information

### **31.22 Vacancies [24 CFR 983.254]**

The owner must promptly fill vacancies utilizing the site-based waiting list. The owner must lease vacant contract units only to eligible families from the waiting list. SLHA and the owner will make reasonable good faith efforts to minimize the likelihood and length of any vacancy. If any contract unit has been vacant for a period of 180 or more days since the owner was made aware of the vacancy, SLHA may give notice to the owner amending the HAP contract to reduce the number of contract units that have been vacant for such period.

### **31.23 Leasing of Contract Units [24 CFR 983.253]**

During the term of the HAP contract, the owner must lease contract units only to eligible families selected from the site-based waiting list. The owner is responsible for adopting written tenant selection procedures that are consistent with the purpose of improving opportunities for very low-income families. The owner must promptly notify in writing any rejected applicant of the grounds for any rejection. The owner must lease only those units that are appropriate for the size of the family under SLHA's subsidy standards.

#### **31.23.1 Owner Termination**

The owner may only terminate the tenancy in accordance with Chapter 29, except that other good cause does not include a business or economic reason, or desire to use the unit for an individual family or non-residential rental purpose.

### **31.23.2 Tenant Lease**

SLHA will review the lease as outlined in Chapter 23 of this plan. In all cases involving PBV, the lease must include the HUD required tenancy addendum (form HUD 52530c).

### **31.23.3 Security Deposits [24 CFR 983.258]**

The owner may collect a security deposit from the family. The owner may not collect a security deposit in excess of amounts charged by the owner to unassisted tenants. When the family moves out of the 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 rent, damages to the unit, or other amounts which the family owes under the lease.

The owner must give the family a written list of all items charged against the security deposit and the amount used to reimburse the owner. The owner must promptly refund the full amount of the balance to the family. If the security deposit is not sufficient to cover amounts the family owes under the lease, the owner may seek to collect the balance from the family. SLHA has no liability or responsibility for payment of any amount owed by the family to the owner.

## **31.24 Over/Under-Housed and Accessible Units [24 CFR 983.259]**

SLHA subsidy standards outlined in Chapter 16 applies to PBV program. If SLHA determines that a family is occupying a wrong size unit or a unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, SLHA will promptly notify the family and the owner in writing of this determination and the offer of continued assistance.

### **31.24.1 Continued Assistance**

If a family is occupying the wrong size unit or the unit has accessibility features that the family does not require and the unit is needed by a family that requires the accessibility features, SLHA will offer the family the opportunity to receive continued housing assistance in another unit. SLHA will offer PBV assistance in an appropriate size unit (in the same building or in another building if available). If no unit is available in the family's current project-based development, SLHA will offer the family tenant-based rental assistance under the HCV program.

### **31.24.2 Termination of Housing Assistance**

If SLHA offers the family the opportunity to receive tenant based rental assistance under the voucher program, SLHA will terminate the housing assistance payments for the wrong sized or accessible unit at expiration of the term of the family's voucher (including any extension granted) or when the family takes possession of the tenant-based voucher unit.

### **31.24.3 Family Right to Move**

The family may terminate the assisted lease at any time after the first year of occupancy. The family must give the owner advance written notice of the intent to vacate (with a copy to SLHA) in accordance with the lease.

If the family has elected to terminate the lease by written notice and in accordance with the lease, SLHA will offer the family the opportunity for continued tenant based rental assistance in the form of assistance under the HCV program or other comparable tenant-based rental assistance.

If the family wishes to move with continued assistance, the family must contact SLHA and request comparable tenant based rental assistance. If the family terminates the assistance before the end of one year, the family relinquishes the opportunity for continued tenant based assistance.

Provided, however, that the family's right to move is subject to the availability of funding for additional vouchers. In the event SLHA has insufficient funding to award the family a tenant based voucher, the family will be placed on a list to receive a voucher as soon as funding becomes available.

#### **31.24.4 Exception to Regulatory Requirements for Carr Square Only**

For Carr Square only, existing residents in the development may receive project-based assistance based on the unit size they are occupying instead of basing the assistance on family size. A regulatory waiver of 24 CFR §983.259 was granted by HUD on August 21, 2008 to allow for this exception. The waiver requires existing residents to move into appropriate size units when such units become available and requires that as units are vacated they must be filled with appropriate size families.

### **31.25 Other PBV Program Requirements**

Before executing an agreement with any selected owner, SLHA must:

- Obtain subsidy layering contract reviews from HUD or an independent entity approved by HUD [24 CFR 983.55 (b)]
- Obtain owner certification that the project has not received and will not receive before or during the HAP contract any public assistance for acquisition, development or operation of the housing other than disclosed in the subsidy layering review [24 CFR 983.55 ( c )]
- Obtain environmental clearance in accordance with 24 CFR part 50 or 58



## **Chapter 32 Special Housing Types**

### **32.1 Introduction**

The only special housing program SLHA operates is Veterans Affairs Supportive Housing (VASH). The VASH program combines the Housing Choice Voucher (HCV) rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs and its VA Medical Centers (VAMC). VASH is designed to provide tenant based HCV rental assistance under a supportive housing program for homeless veterans.

### **32.2 Veterans Affairs Supportive Housing Program [73 FR 25026, May 6, 2008]**

#### **32.2.1 Family Selection and Eligibility**

VASH eligible families are homeless veterans. The VAMC will screen all families in accordance with its screening criteria and will refer eligible families to SLHA for issuance of vouchers. All written documentation of the referrals will be provided by VAMC to SLHA.

The waiting list selection and SLHA screening processes provided in Chapters 8 and 9 of this plan do not apply to families selected by VAMC. However, SLHA will prohibit admission if any member of a VASH household is subject to a lifetime registration requirement under a state's sex offender registration program. VASH Vouchers may also be project based in accordance with Chapter 31.

#### **32.2.2 Income Eligibility**

SLHA must determine if VASH families meet the income eligibility requirements for the HCV program. SLHA will make the income determination in accordance with the guidance in Chapters 12 and 13.

#### **32.2.3 Term of the Voucher**

The VASH voucher is valid for a period of at least 120 calendar days from the date of issuance. The family must submit a RFTA within the 120-day period unless an extension has been granted by SLHA. If the voucher has expired and has not been extended by SLHA or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is a lease and HAP contract in effect. SLHA may extend the term up to 120 days from the beginning of the initial term if the family needs and requests an extension. A VASH family may submit a written request for an extension of the voucher time period. Requests for extensions must be received prior to the expiration date of the voucher.

#### **32.2.4 Initial Lease Term**

The initial term of the lease for a VASH family does not have to comply with the requirements of Chapter 23 where it states the initial lease with an owner is for a term of one year. An initial lease term less than 12 months is permitted in the VASH program.

#### **32.2.5 Ineligible Housing**

Units on grounds of medical, mental or similar public or private institution, which are otherwise ineligible for the HCV program, are eligible under the VASH program if the units are on the grounds of a VAMC and owned by the VA.

### **32.2.6 Mobility and Portability**

An eligible family issued a VASH voucher must receive case management services provided by VAMC. Participant families may reside only in those jurisdictional areas that are accessible to case management services as determined by the partnering VAMC. VASH vouchers are portable to jurisdictions where the services are available.

#### ***32.2.6.1 Portability Moves Where Case Management is Provided***

If the family initially leases up or moves under portability provisions, to a jurisdiction where the partnering VAMC is located close enough to be able to provide the necessary management services, the receiving PHA must process the move in accordance with the portability requirements in Chapter 26. However, since SLHA (the initial PHA) must maintain records on all HUD-VASH families, the receiving PHA must bill SLHA. The receiving PHA's option to absorb the family into its own HCV program is not applicable.

#### ***32.2.6.2 Portability Moves Where Case Management is Provided by the Receiving PHA's Partnering VAMC***

If the family wants to move to another jurisdiction where it will not be possible for VAMC to provide case management services, VAMC must first determine that the VASH family could be served by another VAMC that is participating in this program. In that instance, the receiving PHA must have a VASH voucher available for the family. If both these conditions exist, the family may port to another jurisdiction. However, the family must be absorbed by the receiving PHA either as a new admission or as a portability move-in. Upon absorption, SLHA will lease to a new family as determined by the VAMC.

### **32.2.7 Case Management**

#### ***32.2.7.1 Applicant Screening***

VAMC is responsible for the screening of all VASH applicants to determine whether they meet the HUD-VASH program participation criteria established by the VA national office.

#### ***32.2.7.2 Supportive Services***

VAMC is responsible for providing appropriate treatment and supportive services to potential HUD-VASH program participants, if needed, prior to SLHA issuance of rental vouchers.

#### ***32.2.7.3 Housing Search Assistance***

VAMC will provide housing search assistance to HUD-VASH participants. VASH participants may also use SLHA's apartment locator web site for assistance.

#### ***32.2.7.4 Social Service and Medical Needs***

VAMC is responsible for identifying the social service and medical needs of the HUD-VASH participants and providing, or ensuring the provision of, regular ongoing case management, outpatient health services, hospitalization and other supportive services as needed throughout the program.

#### ***32.2.7.5 Maintaining Client Records***

VAMC will maintain case management records for VASH participants and provide information for evaluation purposes as required by HUD and the VA.

**32.2.7.6 *Termination for Not Receiving Case Management***

HUD-VASH eligible families must receive case management services from VAMC. VASH participant family's HCV assistance must be terminated for failure to participate in case management, without good cause, as verified by the VAMC. However, VAMC determination that the participant family no longer requires case management is not grounds for termination of assistance.

**32.2.8 Turnover of HUD-VASH Vouchers**

Upon turnover, HUD-VASH vouchers must be issued to eligible families identified by VAMC.

## Chapter 33 Homeownership

[24 CFR 982.625]

### 33.1 Introduction

SLHA provides the option of using a housing choice voucher for a participant to purchase a home. The homeownership option is to assist a family residing in a home purchased and owned by one or more members of the family. Homeownership is available to all those who qualify. SLHA will restrict homeownership to families for purposes defined by SLHA. SLHA will also limit the number of families assisted with homeownership to a maximum of 100 at any given time. This chapter describes the eligibility requirements for the use of a voucher for homeownership and policies for the homeownership option.

### 33.2 Eligibility Requirements [24 CFR 982.627]

The family must meet all of the requirements listed below before the commencement of homeownership assistance.

- The family must be a current participant in the HCV program
- The family must qualify as a first-time homeowner or may be a co-operative or have a family member who is a person with disabilities
- With the exception of elderly and disabled households, the family must have a gross annual income not less than \$15,000.00, based on the income of the adult family members who will own the home
  - Unless the family is elderly or disabled, income from welfare assistance will not be counted toward this requirement
- Unless the family is elderly or disabled, the family must meet the federal minimum employment requirement:
  - At least one adult family member who will own the home must be currently employed full-time and must have been continuously employed for one year prior to execution of sales agreement
  - Full time employment means not less than an average of 30 hours per week
  - A family member will be considered to have been continuously employed even if that family member has experienced a break in employment, provided that there has only been one break in the past 12 months
- The family must have participated in the HCV program for at least one year
- The family must not owe a debt to SLHA or any other PHA, or a former or current Section 8 owner
- The family must not have defaulted on a mortgage securing debt to purchase a home under the homeownership option
- The family or any family member may not have a present ownership interest in a residence at the commencement of homeownership assistance
- The family has had no family-caused violations of HUD's Housing Quality Standards within the last year
- The family has not committed any serious or repeated violations of a SLHA assisted lease within the past year
- Any family member who has previously defaulted on a mortgage obtained through the homeownership option or other federally insured mortgage is barred from receiving future homeownership assistance

### **33.3 Homeownership Counseling Requirements [24 CFR 982.630]**

When the family has been determined to meet the eligible requirements, the family must attend and complete homeownership counseling sessions. The counseling sessions will be conducted by a SLHA approved housing counseling agency. Such counseling shall be consistent with HUD approved housing counseling programs. The following topics must be included in the homeownership counseling sessions:

- Home maintenance (including care of the grounds)
- Budgeting and money management
- Credit counseling
- How to negotiate the purchase price of a home
- How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing
- How to find a home, including information about homeownership opportunities, schools and transportation in SLHA's jurisdiction
- Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas
- Information about RESPA, state and federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions
- Fair Housing

### **33.4 Eligible Units [24CFR 982.628]**

The unit must meet all of the following requirements to qualify for the homeownership program:

- The unit may not be any of the following:
  - A Public or Indian housing unit
  - A unit receiving Section 8 project-based assistance
  - A nursing home, board and care home or facility providing continual psychiatric, medical or nursing services
  - A college or other school dormitory
  - Units on the grounds of a penal reformatory, medical, mental and other similar public or private institutions
- The unit exists or is under construction at the time the family is determined eligible for homeownership assistance
- The unit is a one-unit property or a single dwelling unit in a cooperative or condominium
- The unit has been inspected by SLHA and by an independent inspector designated by the family.
- The unit meets HUD HQS requirements
- SLHA has not been informed that the seller is debarred, suspended or subject to a limited denial of participation

### **33.5 Search and Purchase Requirements [24 CFR 982.629]**

SLHA has established the maximum time that will be allowed for a family to locate and purchase a home. The family's deadline date for locating a home to purchase may be up to 240 calendar days from the date the family's eligibility for the homeownership option is determined. For good cause, SLHA may extend a family's time to locate a home for additional 30 day increments for two increments. The family must purchase the home within three months for an existing home and six months for new construction of SLHA's approval of the sales agreement. SLHA will require periodic reports on the family's progress in finding and purchasing a home.

The family will provide such reports at intervals of 30-days. If a family is unable to locate a home within the time approved by SLHA, their rental assistance shall continue. The family may not reapply for the Homeownership program until they have completed an additional year of participation in the HCV program.

### **33.6 Inspection and Contract [24 CFR 982.631]**

The unit selected for homeownership must meet HQS prior to the commencement of HAP payments. In addition, the selected home must be inspected by an independent professional inspector selected and paid for by the family. The inspector must be qualified to identify physical defects and report on property conditions, including major building systems and components. These systems and components include, but are not limited to:

- Foundation and structure
- Housing interior and exterior
- Roofing
- Plumbing, electrical and heating systems

The inspector must not be a SLHA employee or contractor. SLHA will not require the family to use an inspector selected by SLHA, however, the inspector must be ASHI (American Society of Home Inspectors) certified. Copies of the independent inspection report will be provided to the family and SLHA, along with the contract for approval. Based on the information in this report, the family and SLHA will determine whether any pre-purchase repairs are necessary. SLHA may disapprove the unit for homeownership assistance because of information in the report.

### **33.7 Contract of Sale**

The family must enter into a contract of sale with the seller of the unit. A copy of the contract must be given to SLHA. The contract of sale must specify the price and terms of sale and provide that the purchaser will arrange for a pre-purchase independent inspection of the home. The contract must also allow for inspection by SLHA and must state that the purchaser is not obligated to purchase unless such inspections are satisfactory to SLHA. The contract also must provide that the purchaser is not obligated to pay for any necessary repairs without approval by SLHA. The contract must provide that the purchaser is not obligated to purchase if the mortgage financing terms are not approved by SLHA. The contract must also contain a seller certification that the seller is not debarred, suspended or subject to a limited denial of participation.

### **33.8 Financing [24 CFR 982.632]**

The family is responsible for securing financing. SLHA may disapprove proposed financing if SLHA determines that the debt is unaffordable. The proposed financing terms must be submitted to and approved by SLHA prior to closing. SLHA shall determine the affordability of the family's proposed financing. In making such determination, SLHA may take into account other family expenses, including, but not limited to, childcare, un-reimbursed medical expenses and education and training expenses.

Certain types of financing, including, but not limited to, balloon payment mortgages, unless convertible to a variable rate mortgage, are prohibited and will not be approved by SLHA. Seller-financing mortgages shall be considered by SLHA on a case-by-case basis. If a mortgage is not FHA-insured, SLHA will require the lender to comply with generally accepted mortgage underwriting standards consistent with those of HUD/ FHA, Ginnie Mae, Fannie Mae, Freddie Mac, USDA Rural Housing Services or the Federal Home Loan Bank.

SLHA requires that the financing for purchase provided is insured or guaranteed by the state or federal government (including FHA insurance), complies with secondary mortgage market underwriting requirements or complies with generally accepted private sector underwriting standards.

### **33.9 Continued Assistance** [24 CFR 982.633]

Homeownership assistance may only be paid while the family is residing in the home. The family or lender is not required to refund homeownership assistance for the month when the family moves out. The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home or any refinancing of such debt
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing or pending settlement of the estate of a deceased family member
- Use and occupancy of the home are subject to the family obligation requirements in Chapter 17
- The family must supply all information required to SLHA
  - The family must further supply any information required by SLHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses
- The family must notify SLHA before moving out of the home
- The family must notify SLHA if the family defaults on the mortgage used to purchase the home
- No family member may have any ownership interest in any other residential property
- The family must attend and complete such ongoing homeownership counseling as required by SLHA

Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.

### **33.10 Maximum Term of Homeownership Assistance** [24 CFR 982.634]

Except in the case of elderly or disabled families, the maximum term of homeownership assistance is 15 years if the initial mortgage term is 20 years or longer, or 10 years in all other cases.

The elderly exception only applies if the family qualified as elderly at the start of homeownership assistance. The disabled exception applies if, at any time during receipt of homeownership assistance, the family qualifies as disabled. If the family ceases to qualify as elderly or disabled during the course of homeownership assistance, the maximum term becomes applicable from the date assistance commenced. However, such a family must be afforded at least six months of homeownership assistance after the maximum term becomes applicable. If the family receives homeownership assistance for different homes or from different PHAs, the total is subject to the maximum term limitations.

### **33.11 Homeownership Assistance Payments and Expenses** [24 CFR 982.635]

The monthly homeownership assistance payment is the lower of the voucher payment standard, minus the total family contribution or the monthly homeownership expenses, minus the total family contribution. In determining the amount of the homeownership assistance payment, SLHA will use the same payment standard schedule, payment standard amounts and subsidy standards as those described in this plan for the HCV program. SLHA will pay the homeownership assistance payment to a lender on behalf of the family.

Some homeownership expenses are allowances or standards determined by SLHA. These allowances are used in determining expenses for all homeownership families and are not based on the condition of the home. Homeownership expenses include:

- Principal and interest on mortgage debt
- Mortgage insurance premium
- Taxes and insurance
- SLHA utility allowance used for the HCV program
- SLHA allowance for routine maintenance costs
- SLHA allowance for major repairs and replacements
- Principal and interest on debt for improvements
- If the home is a cooperative or condominium, expenses also include operating expenses or maintenance fees assessed by the homeowner association

### **33.12 Portability** [24 CFR 982.636, 982.353(b) and (c), 982.552, 982.553]

Subject to the restrictions on portability included in Chapter 26 of this plan, the family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program or bill SLHA (the initial PHA). The receiving PHA arranges for housing counseling and the receiving PHA's homeownership policies apply.

### **33.13 Moving With Continued Assistance** [24 CFR 982.637]

A family receiving homeownership assistance may move with continued tenant based assistance. The family may move with rental assistance or with homeownership assistance. Continued tenant based assistance for a new unit cannot begin as long as any family member holds title to the prior home. SLHA prohibits more than one move by the family during any one-year period. SLHA will deny permission to move with continued rental or homeownership assistance if SLHA determines that it does not have sufficient funding to provide continued assistance. SLHA will require the family to complete additional homeownership counseling prior to moving to a new unit with continued assistance under the homeownership option.

### **33.14 Denial or Termination of Assistance** [24 CFR 982.638]

Termination of homeownership assistance is governed by the family obligations for the HCV program contained in Chapter 17 of this plan. However, the provisions which relate to leasehold interests do not apply to homeownership. The provisions that do not apply are as follows:

- The family is responsible for an HQS breach caused by the family
- The family must allow SLHA to inspect the unit at reasonable times and after reasonable notice
- The family may not commit any serious or repeated violation of the lease
- The family must promptly give SLHA a copy of any owner eviction notice
- The family must not own or have any interest in the unit

SLHA will terminate homeownership assistance if the family is dispossessed from the home due to a foreclosure. SLHA will also terminate homeownership assistance if the family violates any of the following:

- Transfer or conveyance of ownership of the home
- Not notifying SLHA before moving out of the home
- Family defaults on the mortgage



### **33.15 Default on FHA-Insured Mortgage**

If the family defaults on an FHA-insured mortgage, SLHA may permit the family to move with continued HCV assistance if the family demonstrates that it has conveyed title to the home to HUD or its designee and moved from the home within the period established or approved by HUD.

### **33.16 Default of Non-FHA Insured Mortgage**

If the family defaults on a mortgage that is not FHA-insured, SLHA may permit the family to move with continued assistance if the family demonstrates that it has conveyed title to the home to the lender, to SLHA or to its designee, as may be permitted or required by the lender, and has moved from the home within the period established or approved by the lender and/or SLHA.

## **Chapter 34 Family Self-Sufficiency**

[24 CFR 984]

### **34.1 Overview**

The Family Self-Sufficiency (FSS) program is intended to promote the development of local strategies for coordinating the use of housing choice vouchers with public and private resources to help eligible families achieve economic independence. The program is open to families participating in the HCV program who are unemployed or underemployed. The objective of the program is to assist families in obtaining employment that will allow them to become self-sufficient, that is, not dependent on welfare assistance.

Participation in the FSS program is voluntary for families and is open to current HCV program participants. Families entering the FSS program work with a case manager to develop goals that will, over a 5-year period, lead to self-sufficiency. These goals may include education, specialized training, job readiness and job placement activities, and career advancement objectives. Goals for each participating family member are set out in Individual Training and Services Plans (ITSP) that are attached to the FSS contract of participation.

When the family meets its goals and completes its FSS contract, the family becomes eligible to receive funds deposited in an escrow account on its behalf throughout the family's participation in the FSS program. The amount credited to the family's escrow account is based on increases in the family's earned income during the term of the FSS contract.

### **34.2 Program Requirements: Minimum Program Size**

The minimum HCV FSS program size is equal to:

- The number of certificate and/or voucher units awarded under the FSS incentive award competition in FY 1991/92, plus
- The number of additional certificate and voucher units reserved between FY 1993 and October 20, 1998, minus
- The number of families who have graduated from the FSS program on or after October 20, 1998 by fulfilling their contracts of participation

The minimum program size refers to the number of families SLHA is required to enroll and graduate from the FSS program. Each time a family fulfills its FSS contract and graduates from the program, SLHA's minimum program size is decreased by one slot. If a family leaves the program, but does not complete its obligations under the contract of participation, another eligible family must fill the vacated slot.

SLHA has the option to administer an FSS program larger than its mandatory minimum program size.

### **34.3 Design and Administration of Self-Sufficiency Programs**

#### **34.3.1 Program Coordinating Committee**

SLHA shall establish Program Coordinating Committees (PCCs) to assist in securing commitments from public and private resources to operate the FSS program. The PCC should assist in the development of the FSS action plan and in program implementation. PCC membership will include the HCV FSS Coordinator and a HCV program participant.

PCC members should include also representatives from service organizations, including employment agencies, public child welfare agencies, public/private education or training institutions, childcare providers, non-profit service providers and private businesses.

#### **34.3.2 FSS Action Plan**

SLHA will maintain an FSS action plan that describes the policies and procedures for the operation of the program. SLHA will consult with the local chief executive officer and the PCC when changing or modifying the plan.

#### **34.3.3 Selection of Participants**

Only current HCV program participants are eligible to participate in the HCV FSS program. SLHA will periodically recruit FSS participants by notifying HCV participants of the opportunity to participate in the program. SLHA may screen families for interest and motivation to participate in the FSS program. SLHA will not screen potential participants based on a family's educational level, test results, previous job history or job performance, credit rating, marital status, number of children, skills or any other factors which may discriminate against persons with disabilities or other minority or non-minority groups.

### **34.4 Contract of Participation**

#### **34.4.1 FSS Contract Overview**

SLHA and the head of the participating FSS family will execute a FSS Contract of Participation (form HUD-52650). The head of the FSS family must be the head of household for eligibility and rent determination purposes. The contract specifies the obligations of each party. An ITSP is attached to the contract and lists the services to be provided to each participating family member, the activities to be completed by the family member and the agreed-upon completion dates of the services and activities. The contract also requires that the family comply with its lease with the owner.

The contract of participation must be executed no more than 120 days after the household's most recent annual or interim reexamination. If more than 120 days have passed since the last reexamination, a new reexamination must be completed. The contract lists the family's current annual income, the amount of earned income included in the annual income and the family's total tenant payment when the family begins its FSS participation. During the term of the contract, increases in earned income and total tenant payment are compared to the amounts listed in calculating escrow credits. The contract is effective the first of the month after execution of the contract of participation.

#### **34.4.2 Term of FSS Contract**

The initial term of the contract of participation is five years. SLHA may grant an extension of no more than two years in response to a written request from the family explaining the need for the extension, if SLHA determines that there is good cause for granting the extension. Good cause includes circumstances beyond the control of the family such as:

- Serious illness
- Involuntary loss of employment
- Significant change in family circumstances

#### **34.4.3 FSS Individual Training and Service Plans**

Every FSS contract must include an ITSP for the head of the family that commits the family head to seek and maintain suitable employment. The ITSP establishes specific interim and final goals by which SLHA and the family can measure the family's progress toward self-sufficiency. The ITSP should include clearly stated goals with specific deadlines. Other family members can also have individual training and service plans. For families currently receiving welfare assistance, the interim goals must include independence from welfare assistance for at least 12 consecutive months before the expiration of the contract of participation.

Although the head of the family is required to seek and maintain employment during the term of the contract, it is permissible for the head to attend school prior to the search for employment. There is no minimum employment period. ITSPs should be reviewed regularly with the family and changed as necessary to reflect new interests and circumstances.

#### **34.4.4 FSS Contract Modifications**

SLHA may modify the contract of an FSS family by mutual agreement with the family to:

- Amend the ITSP
- Extend the contract term for up to two years
- Change the head of the family if the designated head moves and leaves family members in the assisted unit

#### **34.4.5 FSS Contract Completion**

The FSS contract is complete, and a family's FSS participation concludes, when:

- The family has fulfilled all of its obligations under the contract
- 30 percent of the monthly adjusted income equals or exceeds the published FMR for the family unit size under subsidy standards

Successful completion of the contract requires that no member of the family be receiving welfare assistance, however, the family may still receive rental assistance at the time of and after the family's successful completion the FSS program.

#### **34.4.6 Termination of FSS Contract**

The FSS contract of participation is automatically terminated when the family's HCV assistance is terminated. The contract may also be terminated by:

- Mutual consent
- Failure of the family to honor the terms of the contract
- The family's withdrawing from the FSS program
- Any other act deemed inconsistent with the purpose of the FSS
- Operation of law

The family may appeal the termination of an FSS contract by requesting an informal hearing in writing. The appeal shall use the process for informal hearing outlined in Chapter 30.

## **34.5 FSS Escrow Accounts**

### **34.5.1 FSS Escrow Account Overview**

The FSS program provides for the establishment of an escrow account. The full amount of the escrow account, in excess of any amount owed to SLHA, becomes available to the family when it has fulfilled its obligations under the contract of participation and has certified that no family member is receiving welfare assistance. The amount of the escrow credit is based on increases in the family's total tenant payment resulting from increases in the family's earned income during the term of the FSS contract.

### **34.5.2 FSS Escrow Account Credit Calculations**

As a family's income increases, SLHA calculates rent and the family pays increased rent, as does any other HCV participant. SLHA then makes deposits to an escrow account in the appropriate amount based on one of two formulas, one for very low-income families and one for low-income families.

For very low-income housing choice voucher households, the FSS credit is the lesser of:

- 30 percent of the family's current monthly adjusted income, less the total tenant payment (TTP), which is obtained by disregarding any increase in earned income from the effective date of the contract of participation
- The current TTP, less the TTP on the effective date of the contract of participation

For low-income housing choice voucher families, the FSS credit is calculated in the same manner, but may not exceed the amount that would result if the family income were equal to 50 percent of median income. Families whose income goes above the low-income limit (above 80 percent of median) will not receive any escrow credit.

SLHA will compute the escrow credit any time it conducts an annual or interim reexamination of income for an FSS family during the term of the contract of participation. All increases in a family's earned income, even increases resulting from changes in family status, are included in the escrow calculation.

Because the escrow is based on the TTP resulting from increases in earned income, there is no escrow credit if the current TTP is less than the TTP at execution of the contract of participation. Increases in income that are not earned income do not result in an escrow credit. Furthermore, the escrow credit is based on increases in the TTP the family pays; therefore, there is no escrow credit earned if a family fails to pay its rent.

### **34.5.3 Establishing Escrow Accounts**

SLHA will deposit FSS escrow funds into an interest-bearing depository account. Investment income will be credited periodically, but no less than annually, to each participating family's ledger account based on the balance in each account at the end of the period for which the investment income is prorated.

SLHA will provide a report to the family at least annually on the escrow account, including:

- The balance at the beginning of the reporting period
- The amount credited during the period
- Any deductions made from the account for amounts due to SLHA before interest was distributed
- The amount of interest earned on the account
- The total in the account at the end of the reporting period

#### **34.5.4 Disbursement of FSS Escrow Account Funds**

A family is eligible to receive its escrow account:

- When it has completed all of its obligations under the contract of participation and the head of the family certifies that no family member has received welfare assistance for the previous 12 months; or
- When 30 percent of its adjusted income equals or exceeds the FMR for the family
  - The family will be considered to have completed all of its obligations even though family members have not completed all the activities in their ITSP
  - In this circumstance, the head of the family must certify that no family member is receiving welfare, but the requirement to have been off welfare assistance for a year does not apply

The escrow payment is the amount in the family's escrow account, less any amount owed to SLHA. Before disbursement, SLHA will verify that the family no longer receives welfare assistance. If the original head of household no longer resides with the FSS family, the family may designate another family member to receive the escrow account funds.

#### **34.5.5 Interim Disbursement of FSS Escrow Funds**

SLHA may allow the family to receive a portion of its escrow funds early if SLHA determines that the family has fulfilled established interim goals and requires a portion of the FSS escrow account funds for purposes consistent with the contract of participation. Examples of needs for which escrow funds might be disbursed are:

- Tuition and expenses for higher education or job training
- Start-up expenses involved in the creation of a small business
- The purchase of an automobile for transportation to work
- Purchase of a home

If the family does not complete its FSS contract, the family is not required to repay the amount received as an interim disbursement unless the advance payment was made based on fraudulent information from the family. Early disbursement of escrow funds is at SLHA's sole discretion.

#### **34.5.6 Forfeiture of FSS Escrow Accounts**

An FSS family will forfeit its escrow account if the contract of participation is terminated, if the family is still receiving welfare at the expiration of the contract term or if the contract obligations have not been completed because the head of the FSS family did not become employed. When a family's escrow account is forfeited, the funds in that account are returned to SLHA's general accounts and treated as additional program receipts for payment of approved program expenses.

### **34.6 Portability of Family Self-Sufficiency**

A family participating in the FSS program may not move to another jurisdiction for 12 months after the effective date of the contract of participation. After the first year, the family may move to a unit in another community so long as it has complied with the terms of the existing lease.

FSS families may continue to participate in SLHA's FSS program or may be admitted to the FSS program at the receiving PHA. To continue SLHA's program, the family must demonstrate that it will be able to fulfill its responsibilities under the initial or a modified contract of participation.

The relocating family may participate in the receiving PHA's FSS program if it is admitted to the program by the receiving PHA. If the family is admitted to the receiving PHA's FSS program, the receiving PHA will enter into a new contract of participation with the FSS family for the remaining time in the family's initial contract. When it prepares the new FSS contract, the receiving PHA must use the initial income and rent information from the contract executed when the family first began its FSS participation.

SLHA will maintain the FSS escrow account unless the receiving PHA absorbs the family into its HCV program. If the receiving PHA absorbs the family, SLHA will transfer the family's FSS account to the receiving PHA. If the FSS family fails to fulfill its FSS contract obligations after moving to another jurisdiction, the PHA which executed the contract of participation may terminate the family from the FSS program. If the family fails to complete its obligations under the contract of participation, the escrow funds will be treated as program receipts of the PHA maintaining the account.

As long as SLHA has sufficient funding, SLHA will absorb any FSS participating family porting from another jurisdiction.

## **Chapter 35 Cost-Saving Measures When Funding Is Insufficient**

### **35.1 Overview**

During periods of insufficient funding to operate the HCV program, actions must be taken to reduce the cost of the HCV program. This chapter describes actions that SLHA may take in such circumstances. SLHA may take all or some of the actions described in this chapter depending on the severity of the funding shortage. SLHA will consider all other allowable actions to reduce costs before it considers terminating existing program participants.

### **35.2 Method of Selection of Cost-Saving Measures**

When SLHA determines there are insufficient funds to continue to fully operate the HCV program, it may implement one or all of the cost-saving measures outlined in this chapter. To determine what measures are necessary, SLHA will analyze the amount of cost-savings that are required. SLHA shall, in its sole discretion, determine which measures are needed to achieve the necessary savings. SLHA will consider the impact of the alternatives on the families currently participating in the program and will attempt to minimize the impact on those families to the extent feasible. SLHA will only terminate current participants as a last resort when no other cost-saving measures can achieve the necessary savings. SLHA will post a notice of which measures are adopted on the website and at the Central Office.

### **35.3 Family Income Matching/Verification and Other Anti-Fraud Efforts**

SLHA will accelerate efforts concerning income matching and income verification. SLHA will review the income matching EIV reports on a monthly basis and take prompt action regarding families that appear to have unreported income. SLHA will notify families that appear to have unreported income and describe the enforcement action that could be taken where underreporting of income is discovered.

### **35.4 Elimination of Repayment Agreements**

Chapter 28 allows SLHA to enter into repayment agreements when the family owes a debt to SLHA. When there are insufficient funds, SLHA may suspend the option for a family to enter into such an agreement. When a family owes money to SLHA, the debt must be paid in full within 30 days or SLHA will terminate assistance in accordance with the policies outlined in Chapter 29. The terms of existing repayment agreements are not affected by the adoption of this cost-saving measure.

### **35.5 Restrictions on Moves with Continued Assistance**

#### **35.5.1 General**

SLHA may only deny a request to move to a higher cost unit within its jurisdiction or port to a higher cost area if the SLHA would be unable to avoid terminations of HCV assistance for current participants during the calendar year in order to remain within its budgetary allocation for housing assistance payments. SLHA must provide written notification to the local HUD office when SLHA determines it is necessary to deny moves to a higher cost unit or to port to a higher cost area based on insufficient funding. The notification must include the following documentation:

- A financial analysis that demonstrates insufficient funds are projected to meet the current calendar year projection of expenses. The projection must not include vouchers that have been issued, but are not yet under contract.



- A statement certifying SLHA has ceased issuing vouchers and will not admit families from their waiting list while the limitation on moves to a higher cost unit or to a higher cost area is in place.
- A copy of SLHA's policy stating how it will address families who have been denied moves.

### **35.5.2 Restricting Moves to Higher Cost Units in the Jurisdiction**

SLHA may deny a request from a family to move to a higher cost unit if funds are insufficient for moves within SLHA's jurisdiction. A higher cost unit is defined as a unit in which the PHA would have to pay a higher subsidy amount than the current subsidy due to a higher gross rent for the new unit. SLHA will not deny requests to move due to insufficient funding if the subsidy for the new unit is equal to or less than the current subsidy being paid for the family.

### **35.5.3 Restricting Moves to Higher Cost Areas**

SLHA may deny a request from a family to use portability to move to a higher cost area if funds are insufficient. For portability moves, a higher cost area is defined as an area where a higher subsidy amount will be paid for a family because of higher payment standard amounts or more generous subsidy standards (e.g., the receiving PHA issues a 3-bedroom voucher to a family that received a 2-bedroom voucher from SLHA).

Before denying the family's request to move due to insufficient funding, SLHA must contact the receiving PHA and confirm via email or other confirmed delivery method whether the receiving PHA will administer or absorb the family's voucher. Once the receiving PHA makes the commitment to absorb the voucher, it cannot reverse its decision. If the receiving PHA is willing to absorb the family, SLHA shall not deny the move. SLHA may also take into consideration any reported changes in the family's income or composition that may result in a decreased subsidy amount and, therefore, in no increased cost.

SLHA may not deny requests to move due to insufficient funding if the area the family has selected is a lower cost area. A lower cost area is defined as an area where the subsidy amount is equal to or less than the current subsidy paid because of lower payment standards or less generous subsidy standards (e.g. the receiving PHA issues a 2-bedroom voucher to a family that received a 3-bedroom voucher from SLHA).

### **35.5.4 Notification Requirements**

#### ***35.5.4.1 Notification of Restrictions on Moves***

SLHA will inform families of the policy regarding moves to higher cost units or higher cost areas when the family requests to move from their existing unit. SLHA will provide an informational notice that explains the moving restrictions, due to lack of funding, when the voucher to move is issued. The information in the notice will be reviewed with the family prior to issuing a voucher to move.

#### ***35.5.4.2 Notification that Funds are Available to Resume Unrestricted Moves***

The family's request to move will be open for consideration until the family enters into a valid lease for a unit or the voucher to search for a new unit expires. Once funds become available, SLHA will notify families that have an unexpired voucher, in writing, that the restriction on moves no longer applies.

### **35.6 Review Rent Reasonableness**

SLHA may choose to review rent reasonableness for some or all units. SLHA will determine which units to review by examining published data on areas in the jurisdiction where rent rates are declining. In addition, SLHA will choose units where there has been no rent increase approved in the last five years.

### **35.7 Defer Rent Increases**

When funding is insufficient, SLHA will request that owners voluntarily agree to defer rent increases to help SLHA avoid the termination of HAP contracts due to shortfalls in HCV funding. It is the owner's option to agree to such measures. If the owner agrees, SLHA will process the rent increase if funding becomes available without requiring the owner to wait until the next lease term.

### **35.8 Renegotiate Rent or Prorate HAP Payments to Owners**

When funding is insufficient, SLHA may request that owners voluntarily agree to a temporary rent reduction. SLHA will contact large owners to determine if they would be willing to accept such voluntary reductions in rent. If the owner agrees, SLHA will process a rent increase when funding becomes available without requiring the owner to wait until the next lease term. In addition, if allowable, SLHA may prorate HAP payments of all owners in the amount necessary to meet the funding deficit. All owners will receive a 30-day notice of any such proration.

### **35.9 Reduce Utility Allowances to Qualifying Unit Size**

In accordance with Section 22.4, SLHA uses the appropriate utility allowance for the size of dwelling unit actually leased by the family rather than the family unit size as determined under the subsidy standards. When funding is insufficient, SLHA may request a waiver of this regulatory requirement so that SLHA may apply the utility allowances for the bedroom size for which the family was eligible under the subsidy standards rather than for the unit size the family is leasing, if it is larger. If more than one cost-saving waiver is requested, SLHA must, in order to obtain HUD approval, demonstrate how both/all waivers are necessary to avoid a shortfall that would result in the termination of families.

### **35.10 Reduction of Payment Standards**

#### **35.10.1 Overview of Reduction of Payment Standards**

SLHA may lower the payment standard for all or some unit sizes. The lower payment standard applies immediately to all new admissions, all movers and families remaining in their units with a new HAP contract, and does not normally apply to other participants until after the second annual re-exam. If the funding shortfall requires SLHA to apply the lower payment standard immediately to all participants, SLHA will request a waiver from HUD.

SLHA will make every attempt to maintain the payment standard between 90% and 110% of the FMR. If the funding shortfall requires SLHA to lower the payment standard to a level below 90% of the FMR, HUD approval is required.

#### **35.10.2 Waiver Requirements for Reduction of Payment Standards**

When SLHA experiences significant funding shortfalls, SLHA will request a regulatory waiver from HUD to apply reduced payment standards immediately. The waiver request shall include the calculations used to arrive at the projected shortfall in funding and cost-saving measures SLHA has already taken or will take in the future.

If SLHA determines it is necessary to reduce payment standards below 90% of the FMR, SLHA must send a request to HUD for approval. If the reduction will increase the family's share to greater than 30% percent of monthly adjusted income for more than 40% of voucher participants, SLHA must provide good cause, such as the inability of SLHA to avoid terminating the HAP contracts of current participants, in the request.

#### **35.10.3 Notice to Families**

As a reduction in payment standards will likely increase the family's share of the monthly rent, any immediate reduction in payment standard must provide 30-day notice to both the family and the owner. The new payment will be effective the first day of the month following the 30-day notice.

#### **35.10.4 Moving with Continued Assistance when Payment Standards are Reduced**

If a family's rent burden exceeds 40% of their monthly adjusted income when the payment standard are reduced, SLHA will waive the restriction of allowing only one elective move in a 12-month period as described in Section 25.4. However, the restriction waiver will only apply to families who are moving to a lower cost unit and where the owner agrees to a mutual recession of the existing lease.

#### **35.10.5 Increasing Payment Standards when Funds are Available**

Once sufficient funding is available, SLHA may raise the payment standards back to a level that gives families more housing choices. The new payment standards will be applied at the next annual reexamination. If the family's current rent burden creates a financial hardship, the family may request an interim reexamination to apply the new payment standard. SLHA will process such requests on a first come, first served basis. If such requests become administratively burdensome, SLHA may suspend acceptance of the requests.

### **35.11 Terminate Current Program Participants**

#### **35.11.1 When SLHA Will Terminate Current Program Participants due to Insufficient Funding**

As a last resort, SLHA may terminate HAP contracts in accordance with HUD requirements if it determines that funding under the CACC is insufficient to support continued assistance for families in the program. In determining if funding under the CACC is insufficient to support continued assistance for families in the program, SLHA must take into consideration all of its available budget authority.

Before terminating HAP contracts on the basis of insufficient funding, SLHA must ensure that it has carefully considered all cost-saving measures and the impact such terminations will likely have on program applicants and participants. In addition, the SLHA will investigate the use of alternative sources of unrestricted non-Federal funding that may be available to prevent the termination of rental assistance.

#### **35.11.2 HUD Notification of SLHA's Intention to Terminate Current Program Participants due to Insufficient Funding**

SLHA must notify the HUD field office and its financial analyst at the Financial Management Center (FMC) prior to issuing notices of termination actions due to insufficient funding. The notice must be in writing and must include all measures taken to date to reduce or eliminate the shortfall and the number and date(s) of proposed termination.

### **35.11.3 Selection of Current Program Participants Terminated due to Insufficient Funding**

SLHA will terminate HAP contracts using a last in, first out approach. Using this approach, the first participants to be terminated will be the last participants called off the waiting list. SLHA will do an analysis to determine how many families need to be removed from the program to cover the shortfall. Based on the analysis, SLHA will remove the fewest number families possible from the program.

Individuals participating in the homeownership, VASH or project-based program are generally excluded from the termination process. However, if the process reaches individuals in these programs, participants in the VASH program will be the absolute last group of participants to be terminated.

### **35.11.4 Notice to Current Program Participants Terminated due to Insufficient Funding**

SLHA will give a 60-day written notice of HAP contract terminations to families and the owners. If available, SLHA will provide suggestions to the family of other resources that may provide rental assistance.

### **35.11.5 Resumption of Assistance to Program Participants Terminated due to Insufficient Funding**

Once funding is available, the families terminated for insufficient funding will be reinstated in the order they were originally admitted to the program. SLHA will provide a written notice to families when funding is available. Reinstated families will be processed as new admissions with the accompanying eligibility and verification requirements. Families must inform SLHA of any changes in address in writing.

## **Chapter 36 Mobility Counseling Program**

### **36.1 Overview**

The Mobility Counseling program is a pilot program established between the St. Louis Housing Authority and the Housing Authority of St. Louis County (PHAs) to provide Housing Choice Voucher (HCV) holders with additional support to make moves into high opportunity areas (HOAs). The program is administered by AscendSTL, Inc. in partnership with the PHAs. The program provides two primary services: (1) Counseling services to families interested in moving to high opportunity neighborhoods, including one-on-one family move planning and workshops to help families prepare for their move; and (2) Outreach and organizing of owners in HOAs to break down stigmas against the program, offer additional support to owners and assist in the development of relationships between owners in HOAs and clients. Additionally, the program may provide a security deposit or relocation assistance for families who move into HOAs, if funding is available.

The program was created in an effort to provide voucher holders in St. Louis City and St. Louis County with truer housing choices, as was envisioned in the design of the Housing Choice Voucher program in 1974 (24 CFR § 982). The PHAs developed the Mobility Counseling Program to support their efforts to affirmatively further fair housing (80 Fed. Reg. 42272 [July 16, 2015]).

This chapter describes the administration of the pilot program. The program was developed using an evidence-based approach, including a review of controlled trials of housing mobility programs, feedback from key executive staff at each PHA and technical assistance from the national Mobility Works Consortium.<sup>1</sup>

### **36.2 Program Size**

The program will include up to 75 families, with at least 30 from each PHA within the 2-year pilot phase of the program. The program will hire additional staff and enroll more families into the program when additional funding is available.

### **36.3 Recruitment**

Participation in the program is completely voluntary and is open to current HCV participants, as well as applicants who have been determined to be eligible, but have not been housed. The PHAs will provide information about the program to families at their annual recertification appointments. All families will receive additional written information regarding the program during their recertification appointment or their voucher briefing session.

The PHAs will provide applicants with additional information about the program at the voucher briefing session. The PHAs will provide a presentation that describes the program. Those families interested in the program will have the opportunity to sign the Interest Form. The Interest Form will provide the program staff with consent to review their information to ensure that they meet the eligibility criteria outlined in Section 36.4 and contact information.

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<sup>1</sup>The Mobility Works team includes the Poverty and Race Research Action Council, the Center on Budget and Policy Priorities, the Baltimore Regional Housing Partnership, Housing Choice Partners, and the Inclusive Communities Project. For more information on the Mobility Works consortium, see: <http://www.housingmobility.org/>

Current HCV families will receive information about the program during their recertification appointment. In addition to reviewing their eligibility for the HCV, the PHAs will describe the program to the client and ask them to indicate if they are interested in the program. Those interested in the program will complete the Interest Form and provide consent for the Mobility Connection Program to conduct a background check and soft pull the head of household's credit report.

Families that complete the Interest Form will be contacted by the Mobility Counselor on a first come, first serve basis. The staff will go over the eligibility and program requirements with the family. If the family is still interested in participating, the Mobility Counselor will continue processing the family for the program.

### **36.4 Eligibility**

Once families indicate they would like to participate in the program, they will be screened for mobility counseling eligibility. Families will be ineligible for the program if they fail to meet any of the below criteria.

**Criminal history:** Applicants and adult members convicted of the following crimes in the last 10 years will be ineligible for mobility counseling services:

- Drug manufacturing or distribution
- Three or more convictions of drug possession
- Violent felonies
- Concealed weapons possession

**Rental history:** Previous rental history going back five years will be considered for the applicant. Applicants with any of these behaviors will be ineligible for services:

- Evictions unrelated to tenant's inability to pay rent, including:
  - Violation of the terms of the lease agreement by the tenant
  - Excessive damage caused to the rental property by the tenant or persons under the tenant's control
  - The tenant has failed to correct a violation of laws concerning public nuisance, sanitation or unlawful business
  - The tenant habitually caused warnings to be issued
- Any judgements for failure to pay rent in the last three years for those who had a Housing Choice Voucher during those years
- No current debts to a Public Housing Authority
- Applicants must have an adult member of the household who can put the utilities in their name

**Mitigating circumstances:** Sources of information from the applicant, landlord, employers, social workers, parole officers, court records, drug treatment centers, clinics, physicians or police departments. Factors to be included, but not limited to:

- Current in a repayment plan with the Housing Authority for whom a debt is owed
- Unsuitable rental history: Evidence of improved behavior since the infraction(s)
- Drug use: Evidence of complete rehabilitation or current rehabilitation

The program developed these additional criteria to better ensure that the pilot program will successfully house families in HOAs and develop positive relationships with owners in HOAs.

The Mobility Counselor will use Case Net and/or other available industry programs used to check tenant backgrounds to identify the family's eligibility. If the family fails to provide necessary information or if they do not meet all of the criteria, they will be ineligible for the program. Ineligibility for the program has no effect on the family's ability to continue to participate in the HCV program, unless the screening reveals participation in criminal activity while receiving assistance that would require termination under Chapter 29. Failure to qualify for the program does not prohibit the family from moving to an HOA on their own or participating in the workshops offered by the program.

### **36.5 Definition of High Opportunity Areas (HOAs)**

High opportunity areas (HOAs) are defined by census tracts in St. Louis City and St. Louis County where 10 percent or less of the families live in poverty and 10 percent or less of the housing units in the tract are subsidized. The determination is based on data from the most recently available American Community Survey 5-year estimates or the Decennial Census and the Picture of Subsidized Housing (PIC) data aggregated by HUD. As of September 2018, 127 census tracts qualify as HOAs under the criteria. See Appendix 1 for a detailed table and map.

HOAs will be reassessed every two years beginning in January 2018. Should an area once deemed an HOA changes status to a non-HOA, but a family already lives there, the family will not need to move in order to maintain services through the program. If the family decides to move after the change, the family needs to move to an HOA, unless there is a need for a reasonable accommodation or if it would mean moving a child from a high-performing school district.

### **36.6 Exception Rent**

The PHAs shall establish an exception rent for certain census tracts, subject to HUD approval. Only those census tracts where the ratio between the census tract average gross rent and the FMR average gross rent exceed 1.10 will qualify for the exception rent. The payment standard in the qualifying census tracts shall be 120 percent of the FMR. The census tracts qualifying for the exception rent are listed in Appendix 1.

Additionally the payment standard for zip code 63144, Brentwood, will be raised to 110 percent of the Small Area FMR (SAFMR). See Appendix 1.

### **36.7 Voucher Term**

The initial term of the voucher for families participating in the Mobility Counseling Program is 120 days in order to provide sufficient time to find housing in the tighter housing markets of HOAs. A family may submit a request to extend the initial voucher term in accordance with the requirements of Section 17.5.

### **36.8 Mobility Counseling Services**

#### **36.8.1 Initial Counseling**

After confirming the client's eligibility and their desire to participate in the program, they will meet with the Mobility Counselor and sign an enrollment form, after which point they are considered "enrolled" in the program. The client and Mobility Counselor will conduct a Family Needs Assessment and establish a Family Plan that will help the family conduct a successful housing search and move into an HOA.

Examples of the items included in the Needs Assessment and Family Plan include:

- Family's transportation needs
- Where children will attend school
- Child care needs
- Health issues
- Access to other important institutions (i.e., churches, health care facilities)
- Needs and wants in the housing search

In addition to conducting the assessment and developing a family plan, the Mobility Counselor will go over the client's credit report with them. The credit report will help the Mobility Counselor assess if the client will have any difficulty finding housing in HOAs due to previous financial behavior and to recommend the client for external assistance with another agency or to attend one of the program's workshops.

### **36.8.2 Housing Search**

Once the Mobility Counselor and client have completed the Family Needs Assessment and Family Plan, the program staff will assist the family in identifying appropriate housing in areas of high opportunity. The program staff will provide the family with information and material on the areas of high opportunity, a journal to keep track of available units they are interested in and provide the client with referrals for units. The program staff may also assist the client in calling landlords, scheduling appointments and visiting listings.

### **36.8.3 Workshops**

The Mobility Counseling program will offer workshops to assist families in developing skills and techniques to meet certain housing needs. The workshops are available to families in the Mobility Counseling program and to families with HCVs outside of the program. The workshops will not be mandatory, but, based on the assessment, the Mobility Counselor may highly recommend that the family attend the workshops. The workshops will be held on a regular basis (depending on demand and availability of the workshop partners) at each PHA.

Workshops will be one to two hours long on topics including:

- Tenant/Landlord rights
- How to conduct the housing search
- The art of being a good tenant
- Financial fitness

### **36.8.4 Post-Move Counseling**

The Mobility Counseling Program will continue to support the family after they move to ensure that the family makes a successful transition into the HOA.

Upon moving, the Mobility Counseling Program will provide a moving packet with information about the new community, including, for example:

- A map of the area
- Information on local government
- How to hook up utilities/phone services



- Nearby grocery stores
- Website information for other resources: public transportation; school district; health care facilities; recreation and community center; community events calendar

Shortly before the 1-month mark, the Mobility Counselor will meet with the family to gauge the family's transition. Topics to be discussed include:

- The new living situation
- Fitting into the new community
- Enrolling in school or other new institutions
- Transportation changes/needs
- Concerns with finances – paying rent and utilities on time

If the family needs additional services to assist with their transition, the Mobility Counselor may connect with the client for additional follow-up.

The Program Director will contact the owner or management agent shortly before the 1-month mark to receive any feedback the owner or the management agent may have about the family's move.

At the time of the annual recertification, the Mobility Counselor will contact the family to review their experience with their new community. If the client is considering a move and wants to stay in the program, the Mobility Counselor will assist them in the housing search process for a unit in another HOA.

### **36.9 Inspections**

Housing Quality Standards (HQS) inspections for families enrolled in the Mobility Counseling program will be conducted in accordance with Chapter 20. The PHAs will expedite the initial inspections for units in the program. The program staff may assist in the inspection process.

### **36.10 Leasing**

Leasing units will be completed in accordance with the requirements of this plan. The program staff may assist with the submission to track the lease-up and ensure that the exception rents are properly applied.

### **36.11 Owner Outreach**

The Program Director will coordinate owner outreach in HOAs for the Mobility Counseling program through both recruitment and engagement. Providing the initial recruitment and outreach to owners in HOAs will serve to assist clients in finding appropriate and affordable units in HOAs.

Recruitment will begin with referrals from the PHAs staff, as well as community members, and eventually through other owners who participate in the program. The Program Director will also recruit owners in HOAs by presenting information during community events, such as neighborhood association meetings and community development corporation meetings; and by cold-calling landlords with units available in HOAs.

The program may establish a Landlord Advisory Council to help shape the program policies and outreach methods. In addition, the program will recruit owners to assist with presentations with key stakeholders and organizations about the benefits of participating in the program.

### **36.12 Inactive Status or Termination from the Mobility Counseling Program**

Families are enrolled in the program after completing the enrollment form during the first formal meeting with the Mobility Counselor. The family becomes inactive if:

- They are contacted by the program staff at least three times and do not respond within one month of contact.
- They make a written request to be removed from the program.
- They graduate from the Housing Choice Voucher program.

Families can become active again if they re-engage with the program within five business days of receiving a new voucher and they want to move to an HOA, but they are otherwise not considered for part of the Mobility Connection caseload or reported on for reporting purposes. Additionally, families who become inactive with the program must undergo another criminal background check before being added back to the caseload.

If the family is terminated from the HCV program for any reason, they are automatically terminated from the Mobility Counseling program. Upon termination from the HCV program, the PHAs will contact the program staff so the family can be removed from the caseload. The program staff will contact the owner/agent to inform them of the termination.

## Appendix 1

Table 1. High Opportunity Areas & Increased Payment Standard

Census Tract	County/City	Median Rent	Rent Ratio	% Poverty	% Units Subsidized
2216.27	County	\$2,000	2.53	1.70%	0.00%
2179.32	County	\$2,000	2.53	2.80%	0.00%
2177.01	County	\$2,000	2.53	3.00%	0.00%
2212.01	County	\$2,000	2.53	8.10%	0.00%
2188	County	\$1,951	2.47	1.00%	0.00%
2175	County	\$1,729	2.19	1.50%	0.00%
2211	County	\$1,708	2.16	4.00%	0.00%
2208.03	County	\$1,671	2.12	2.60%	0.00%
2154	County	\$1,625	2.06	1.40%	0.06%
2109.28	County	\$1,620	2.05	6.30%	0.40%
2216.21	County	\$1,615	2.05	7.50%	0.00%
2150.03	County	\$1,605	2.03	7.40%	0.26%
2204.46	County	\$1,594	2.02	3.10%	0.00%
2195	County	\$1,583	2.01	4.10%	0.04%
2151.03	County	\$1,580	2.00	1.90%	6.96%
2151.41	County	\$1,543	1.96	1.30%	0.05%
2204.44	County	\$1,461	1.85	5.10%	0.00%
2178.02	County	\$1,442	1.83	0.50%	0.19%
2221	County	\$1,375	1.74	1.30%	0.06%
2184.01	County	\$1,375	1.74	2.00%	0.00%
2173	County	\$1,302	1.65	7.00%	0.00%
2109.12	County	\$1,301	1.65	3.00%	1.44%
2179.43	County	\$1,297	1.64	1.60%	0.08%
2166	County	\$1,260	1.60	6.10%	0.00%
2178.52	County	\$1,241	1.57	2.10%	0.04%
2152.32	County	\$1,222	1.55	4.70%	0.00%
2179.41	County	\$1,220	1.55	8.20%	0.09%
2204.45	County	\$1,208	1.53	2.70%	2.31%
2151.02	County	\$1,205	1.53	7.00%	0.04%
2184.02	County	\$1,205	1.53	4.20%	0.00%
2178.41	County	\$1,197	1.52	4.90%	0.19%
2219	County	\$1,190	1.51	4.40%	0.00%
2180.12	County	\$1,182	1.50	3.00%	0.00%
2185	County	\$1,179	1.49	4.70%	0.66%
2153.02	County	\$1,150	1.46	1.60%	0.00%
2109.26	County	\$1,145	1.45	8.80%	2.36%
2165	County	\$1,137	1.44	5.20%	1.42%
2109.23	County	\$1,133	1.44	8.40%	2.74%

Census Tract	County/City	Median Rent	Rent Ratio	% Poverty	% Units Subsidized
2215.02	County	\$1,133	1.44	1.80%	2.22%
2153.01	County	\$1,131	1.43	6.80%	0.00%
2176	County	\$1,130	1.43	4.50%	0.07%
2179.44	County	\$1,125	1.43	2.00%	0.00%
2151.43	County	\$1,109	1.41	6.00%	0.26%
2113.01	County	\$1,107	1.40	6.40%	2.44%
2215.06	County	\$1,104	1.40	0.20%	0.00%
2216.25	County	\$1,102	1.40	9.80%	0.04%
2193	County	\$1,095	1.39	8.30%	0.24%
2179.42	County	\$1,093	1.39	3.70%	0.04%
2191	County	\$1,088	1.38	4.20%	0.23%
2182.01	County	\$1,088	1.38	2.90%	0.22%
2109.24	County	\$1,086	1.38	7.30%	1.55%
2177.02	County	\$1,083	1.37	4.10%	0.08%
2178.07	County	\$1,078	1.37	2.50%	0.04%
2152.02	County	\$1,078	1.37	5.30%	0.00%
2194	County	\$1,075	1.36	2.30%	0.04%
2155	County	\$1,072	1.36	2.20%	0.11%
2216.28	County	\$1,071	1.36	8.00%	0.00%
2132.02	County	\$1,043	1.32	5.60%	0.22%
2179.31	County	\$1,042	1.32	3.30%	0.12%
2108.03	County	\$1,041	1.32	2.60%	1.37%
2152.31	County	\$1,022	1.30	6.50%	0.06%
2174	County	\$1,015	1.29	4.40%	0.00%
2210	County	\$1,012	1.28	7.00%	4.16%
2214.23	County	\$999	1.27	7.10%	0.00%
2164	County	\$986	1.25	5.40%	0.00%
2204.32	County	\$978	1.24	3.70%	0.00%
2112.02	County	\$970	1.23	6.60%	2.01%
2151.44	County	\$961	1.22	7.10%	0.04%
2135	County	\$953	1.21	8.00%	2.98%
2220	County	\$949	1.20	2.30%	0.00%
2167	County	\$943	1.20	7.90%	0.79%
2189	County	\$941	1.19	8.40%	2.94%
2180.11	County	\$940	1.19	9.80%	0.07%
2178.42	County	\$928	1.18	3.50%	0.00%
2192	County	\$925	1.17	7.10%	0.12%
2215.03	County	\$905	1.15	6.20%	0.86%
2208.02	County	\$885	1.12	5.90%	0.80%
2216.29	County	\$883	1.12	2.80%	0.00%
2151.05	County	\$882	1.12	7.70%	0.00%

Census Tract	County/City	Median Rent	Rent Ratio	% Poverty	% Units Subsidized
2111.01	County	\$877	1.11	8.20%	6.34%
2204.42	County	\$874	1.11	6.10%	1.23%
2202	County	\$874	1.11	6.60%	0.71%
2212.02	County	\$872	1.11	4.00%	0.04%
2214.21	County	\$869	1.10	1.70%	0.04%
2183	County	\$867	1.10	6.00%	5.08%
2179.23	County	\$864	1.10	5.30%	0.07%
2196	County	\$863	1.09	7.60%	4.74%
2180.03	County	\$856	1.08	3.50%	0.00%
2113.33	County	\$854	1.08	8.30%	0.05%
2113.31	County	\$852	1.08	9.50%	2.20%
2179.21	County	\$849	1.08	2.00%	0.00%
1011	City	\$841	1.07	9.60%	0.27%
1022	City	\$823	1.04	5.40%	0.10%
2204.31	County	\$822	1.04	8.30%	0.05%
2213.32	County	\$819	1.04	3.10%	0.00%
1025	City	\$808	1.02	7.50%	0.31%
1038	City	\$804	1.02	3.90%	0.12%
2206.01	County	\$803	1.02	6.60%	2.37%
1141.02	City	\$801	1.02	8.50%	0.20%
2204.41	County	\$796	1.01	2.60%	0.04%
2213.01	County	\$796	1.01	6.40%	0.03%
2109.25	County	\$790	1.00	6.10%	1.60%
2200.01	County	\$775	0.98	3.70%	0.18%
2214.24	County	\$761	0.96	4.10%	0.11%
2200.02	County	\$757	0.96	4.90%	0.00%
2213.02	County	\$751	0.95	5.70%	0.03%
2213.35	County	\$748	0.95	2.60%	0.08%
2206.02	County	\$747	0.95	10.00%	6.91%
1143	City	\$732	0.93	6.40%	0.12%
2207.03	County	\$731	0.93	2.10%	0.00%
2114.01	County	\$713	0.90	9.60%	8.44%
2199	County	\$708	0.90	9.10%	0.19%
2207.02	County	\$708	0.90	3.10%	0.00%
1171	City	\$679	0.86	9.50%	1.04%
2197	County	\$674	0.85	8.90%	0.31%
1013	City	\$670	0.85	6.80%	0.40%
1031	City	\$660	0.84	5.20%	0.17%
2109.27	County	-	-	4.20%	0.12%
2178.51	County	-	-	0.90%	0.00%
2216.26	County	-	-	3.60%	0.00%



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## Revision

Rev. 0	8/23/12	Resolution No. 2715	Adopted – Revised Administrative Plan
Rev. 1	4/25/13	Resolution No. 2735	Adopted – Revised Ch. 35 & Ch. 20, Sec. 20.11.3
Rev. 2	3/27/14	Resolution No. 2762	Adopted – Revised Ch. 5
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