



**Housing Services  
&  
HUD Section 8  
Administrative Plan**

**Updated September 2016**



## Table of Contents

|             | <b>Section</b>   | <b>Page</b> |
|-------------|--|-------------|
| <b>I.</b>   | <b>Statement of Policies and Objectives</b>            | <b>6</b>    |
|             | A. Purpose of the Plan                                 | 6           |
|             | B. Fair Housing Policy                                 | 6           |
|             | C. Privacy Rights                                      | 7           |
|             | D. Statement of Local Objectives                       | 7           |
|             | E. Rules and Regulations                               | 8           |
| <b>II.</b>  | <b>About the Authority</b>                             | <b>9</b>    |
|             | A. HUD Program Director                                | 9           |
|             | B. HUD Program Assistant                               | 9           |
|             | C. Support Staff                                       | 10          |
|             | D. Housing Inspector                                   | 10          |
|             | E. Fiscal Staff  | 10          |
| <b>III.</b> | <b>Outreach Procedures</b>                             | <b>11</b>   |
|             | A. Family Outreach                                     | 11          |
|             | B. Owner Outreach                                      | 11          |
| <b>IV.</b>  | <b>Eligibility for Admission</b>                       | <b>12</b>   |
|             | A. Family Composition                                  | 12          |
|             | B. Live-In Attendant                                   | 12          |
|             | C. Income Limitations                                  | 13          |
|             | D. Mandatory Social Security Numbers                   | 13          |
|             | E. Other Criteria for Admission                        | 13          |
|             | F. Suitability of Tenant                               | 13          |
| <b>V.</b>   | <b>Applying for Admission</b>                          | <b>14</b>   |
|             | A. General Policy                                      | 14          |
|             | B. Application Taking                                  | 14          |
|             | C. Application Procedures                              | 14          |
|             | D. Determination and Notification of Family Status     | 15          |
|             | E. Briefing and Issuance of Housing Choice Voucher     | 15          |
|             | F. Final Determination and Notification of Eligibility | 16          |
|             | G. Denial of Admission                                 | 16          |
| <b>VI.</b>  | <b>Waiting List</b>                                    | <b>19</b>   |
|             | A. Initial Waiting List                                | 19          |
|             | B. Maintaining the Waiting List                        | 20          |
|             | C. Updating the Waiting List                           | 20          |
|             | D. Finalizing the Determination                        | 20          |
| <b>VII.</b> | <b>Occupancy Standards</b>                             | <b>21</b>   |
|             | A. Housing Choice Voucher Size Issued                  | 21          |
|             | B. Unit Size Selected                                  | 22          |
|             |  |             |

|              | <b>Section</b>   | <b>Page</b> |
|--------------|--|-------------|
| <b>VIII.</b> | <b>Income Considerations and Determination of Total Tenant Payment</b> | <b>23</b>   |
|              | A. Income, Allowance, and Deduction Policies                           | 23          |
|              | B. Income of Person Permanently Confined to Nursing Home               | 25          |
|              | C. Averaging Income  | 25          |
|              | D. Regular Contributions and Gifts                                     | 25          |
|              | E. Alimony and Child Support   | 26          |
|              | F. Lump Sum Receipts   | 26          |
|              | G. Grants and Scholarships   | 26          |
|              | H. Assets Disposed of for Less than Fair Value                         | 27          |
|              | I. Child Care  | 27          |
|              | J. Medical Expenses  | 27          |
| <b>IX.</b>   | <b>Verification Procedures</b>   | <b>28</b>   |
|              | A. General Policy  | 28          |
|              | B. Minimum Income  | 29          |
|              | C. Cost of Transportation for Medical Treatment                        | 29          |
|              | D. Net Income From a Business  | 29          |
| <b>X.</b>    | <b>Briefing of Families and Issuance of Certificates/Vouchers</b>      | <b>30</b>   |
|              | A. Briefings   | 30          |
|              | B. Housing Choice Voucher Issuance                                     | 31          |
|              | C. Housing Choice Voucher Program Portability                          | 32          |
| <b>XI.</b>   | <b>Locating Suitable Housing</b>                                       | <b>33</b>   |
|              | A. Responsibility for Locating Housing                                 | 33          |
|              | B. Eligible Types of Housing   | 33          |
|              | C. Request for Lease Approval and Lease                                | 33          |
|              | D. Lease-Purchase Agreements   | 34          |
| <b>XII.</b>  | <b>Housing Quality Standards and Inspections</b>                       | <b>35</b>   |
|              | A. General Purpose   | 35          |
|              | B. Criteria and Exceptions to HQS                                      | 35          |
|              | C. Rent Reasonableness Test  | 36          |
|              | D. Clearing Deficiencies   | 36          |
| <b>XIII</b>  | <b>Lead Based Paint Procedures</b>                                     | <b>37</b>   |
|              | A. Coupon Issuance   | 37          |
|              | B. Initial and Biennial Inspections                                    | 37          |
|              | C. Rental Assistance Contract/Leasing                                  | 38          |
|              | D. Children with Elevated Blood Levels                                 | 38          |
|              | E. KHRC Grant Amendment Relocation Expenses/Landlord                   | 39          |
| <b>XIV.</b>  | <b>Lease Approval and HAP/Voucher Contract Execution</b>               | <b>41</b>   |
|              | A. Documents Submitted   | 41          |
|              | B. Rent Reasonableness Determination                                   | 41          |
|              | C. Separate Agreements   | 41          |
|              | D. Lease Approval/Disapproval  | 42          |
|              | E. HAP Contract Execution  | 42          |

|              |   |           |
|--------------|---|-----------|
|              |   |           |
| <b>XV.</b>   | <b>Owner Payment and Utility Allowance</b>                            | <b>43</b> |
|              | A. Owner Payment in the Housing Choice Voucher Program                | 43        |
|              | B. Utility Allowance  | 43        |
|              | C. Making Payments to Owners  | 43        |
|              | D. Utility Reimbursement Payments                                     | 44        |
|              |   |           |
| <b>XVI.</b>  | <b>Annual Activities</b>  | <b>45</b> |
|              | A. Annual Recertification   | 45        |
|              | B. Biennial HQS Inspection  | 46        |
|              | C. Rent Increases by Owner  | 47        |
|              |   |           |
| <b>XVII.</b> | <b>Interim Changes to Report</b>                                      | <b>48</b> |
|              | A. Required Changes to Report   | 48        |
|              | B. Forms Used for Interims  | 48        |
|              | C. Timely Reporting   | 49        |
|              |   |           |
| <b>XVIII</b> | <b>Housing Quality Standards Complaints</b>                           | <b>50</b> |
|              | A. General Policy   | 50        |
|              |   |           |
| <b>XIX.</b>  | <b>Termination and Family Moves</b>                                   | <b>51</b> |
|              | A. Family Moves   | 51        |
|              | B. Family Notice to Move  | 51        |
|              | C. Housing Choice Voucher Issuance Determination for Split Households | 51        |
|              | D. Evictions  | 51        |
|              | E. Owner Notice to Move   | 52        |
|              | F. Family Misrepresentation   | 52        |
|              | G. Owner Misrepresentation  | 52        |
|              | H. Owner Fails to Correct HQS Items                                   | 52        |
|              | I. Change in Ownership  | 52        |
|              |   |           |
| <b>XX.</b>   | <b>Termination of Assistance</b>                                      | <b>53</b> |
|              | A. General Policy   | 53        |
|              | B. \$0.00 Assistance Tenants  | 55        |
|              |   |           |
| <b>XXI.</b>  | <b>Move Out/Damage Inspections</b>                                    | <b>56</b> |
|              |   |           |
| <b>XXII.</b> | <b>Owner Claims</b>   | <b>57</b> |
|              | A. Unpaid Rent  | 57        |
|              | B. Damages  | 57        |
|              | C. Vacancy Loss   | 57        |
|              | D. Processing Claims  | 58        |
|              |   |           |
| <b>XXIII</b> | <b>Complaints and Appeals</b>   | <b>59</b> |
|              | A. Appeals by Applicants  | 59        |
|              | B. Appeals by Participants  | 59        |
|              |   |           |
| <b>XXIV</b>  | <b>Appointments Missed by Participants</b>                            | <b>60</b> |

|              |  |           |
|--------------|--|-----------|
| <b>XXV.</b>  | <b>Repayment Agreements</b>              | <b>61</b> |
|              |  |           |
| <b>XXVI</b>  | <b>Monitoring Program Performance</b>    | <b>62</b> |
|              |  |           |
| <b>XXVII</b> | <b>Administrative Plan Applicability</b> | <b>65</b> |

## **I. STATEMENT OF POLICIES AND OBJECTIVES**

The Section 8 Program was created by the Housing and Community Development Act of 1974 and amended by the Housing and Community Development Act of 1981, the Housing and Urban-Rural Recovery Act of 1983, the Technical Amendments Act of 1984, and the Housing and Community Development Act of 1987.

Administration of the Housing Programs and the functions and responsibilities of Southeast Kansas Community Action Program, Incorporated (SEK-CAP, Inc.) staff shall be in compliance with the Personnel Policy of SEK-CAP, Inc., the Equal Opportunity Plan, and the Department of Housing and Urban Development (HUD) Section 8 Existing Operations/Procedures Manual. All Federal, State and local housing laws will be followed and SEK-CAP, Inc. will comply with Fair Housing Regulations.

### **A. PURPOSE OF THE PLAN**

The overall plan for the Section 8 Existing Program is designed to achieve four major objectives:

- 1) To provide improved living conditions for very low-income families while maintaining their rent payments at an affordable level.
- 2) To promote freedom of housing choice and spatial de-concentration of lower income and minority families.
- 3) To provide quality, affordable, decent, safe and sanitary housing for eligible participants.
- 4) To provide an incentive to private property owners to rent to lower income families by offering timely assistant payments.

The purpose of our Administrative Plan is to establish policies for items which are not covered under Federal regulation for the Section 8 Housing Choice Voucher Program.

The Plan covers both admission and continued participation in these programs.

Changes to the Plan will be approved by the SEK-CAP, Inc. Board of Directors of the agency, and approved copy sent to HUD regional office.

SEK-CAP is responsible for complying with all subsequent changes in HUD regulations pertaining to the Section 8 Housing Choice Voucher program. If such changes conflict with this Plan, HUD regulations will have precedence.

### **B. FAIR HOUSING POLICY**

It is the policy of SEK-CAP, Inc., hereinafter referred to as the Public Housing Authority (PHA), to comply fully with all Federal, State, and local non-discrimination laws and in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

Specifically, the PHA shall not on account of race, color, sex, religion, sexual orientation, creed, national or ethnic origin, age, family or marital status, handicap or disability deny any family or individual the opportunity to apply for or receive assistance under HUD's Section 8 Housing Choice Voucher Program, within the requirements and regulations of the HUD regulations.

To further its commitment to full compliance with applicable Civil Rights laws, the PHA will provide Federal/State/local information to Housing Choice Voucher holders regarding "discrimination" and any

recourse available to them should they feel they have been the victim of discrimination. Such information will be made available during the family briefing session and all applicable Fair Housing Information and Discrimination Complaint Forms will be made a part of the Housing Choice Voucher holders' packet.

The PHA subscribes to HUD's "open-housing" policy and, as such, will maintain lists of available housing submitted by owners and in all neighborhoods within the Public Housing Authority's (PHA) jurisdiction to ensure "greater mobility and housing choice" to very low-income households served by this agency.

The PHA will review and update its Equal Opportunity Housing Plan to ensure that these objectives are being met.

The Violence Against Women Act (VAWA) of 2005 prohibits the eviction of, and removal of assistance from, certain persons living in public or Section 8-assisted housing if the asserted grounds for such action is an instance of domestic violence, dating violence, sexual assault, or stalking, as those terms are defined in Section 3 of the United States Housing Act of 1937 as amended by VAWA (42 U.S.C. 13925).

VAWA does not take precedence over any provision of federal, state, or local law that provides greater protection to victims of domestic violence, dating violence, sexual assault, or stalking.

The PHA will provide information about VAWA when a person is denied assistance, when a person is admitted, and when a tenant is notified of eviction or termination of housing benefits. This information will be provided along with form HUD-50066. When an applicant or program participant reports an instance of domestic violence, dating violence, sexual assault, or stalking, as those terms are defined in Section 3 of the United States Housing Act of 1937 as amended by VAWA (42 U.S.C. 13925), the PHA will request form HUD-50066 or HUD-91066 be completed and returned to the PHA within 14 days. If form HUD-50066 or HUD-91066 is not received by the 14<sup>th</sup> business day or any extension of the date provided by the PHA, manager or owner, the Victim cannot be assured s/he will receive VAWA protections.

### **C. PRIVACY RIGHTS**

Applicants will be required to sign the Federal Privacy Act Statement which states under what conditions HUD will release tenant and owner information.

Requests for information must be accompanied by a written release request in order for the PHA to release any information involving an applicant or participant, unless disclosure is authorized under Federal or State law.

### **D. STATEMENT OF LOCAL OBJECTIVES**

The Section 8 Program at the PHA is charged with meeting these objectives through housing assistance programs available from HUD.

There is an undeniable need for low-income housing assistance within the jurisdiction of our PHA, as evidenced by our waiting list for various housing programs.

There is also a need for quality housing units available for program participants. There is not an abundance of affordable housing for very low-income participants within our jurisdiction.

We approach the administration of the program with a positive attitude. We have established realistic and attainable goals and have given particular thought to the numbers of families who can be expected to need and want to move to better housing.

In establishing our goals, the PHA has given special consideration to the likely availability of existing housing and has attempted to set realistic numbers based on need.

By setting attainable goals, the PHA hopes to achieve these by the nature of the goals themselves. Not overburdening the market, not forcing the program, but providing a vehicle for those who have a need and those who have the units to come together in a manner beneficial to each.

The strategy is to achieve the attainable goals in the simplest manner possible, at the least expense, while complying with Section 8 requirements and regulations.

#### **E. RULES AND REGULATIONS**

All issues not addressed in this document related to tenants and participants are governed by HUD Handbook 7420.10G federal regulations, HUD Memos and Notices, guidelines, and other applicable law.

## **II. ABOUT THE AUTHORITY**

The Multi-County PHA for Allen, Bourbon, Cherokee, Crawford, Labette, Linn, Montgomery, Neosho, Wilson and Woodson counties will sub-contract with the Southeast Kansas Community Action Program, Inc. of Girard, Kansas (SEK-CAP, Inc.) to administer the housing program on behalf of the PHA. Crawford County will be the Lead County. The line of authority will be as indicated below:

### **PHA**

#### **SEK-CAP, INC. EXECUTIVE BOARD**

#### **SEK-CAP, INC. EXECUTIVE DIRECTOR**

#### **SEK-CAP STAFF ASSIGNED**

#### **(Housing, Fiscal & Outreach)**

The PHA was established in 1984 under the Laws of the State of Kansas. Its legal jurisdiction is limited to Allen, Bourbon, Cherokee, Crawford, Labette, Linn, Montgomery, Neosho, Wilson, and Woodson Counties.

In 1984, the PHA received its first approved Annual Contributions Contract under the Section 8 Existing Housing Assistance Payment Program. In addition to the PHA's Section 8 Program, SEK-CAP administers a Section 202 Housing Project as well as a Tenant Based Rental Assistance Program (TBRA) funded by the State of Kansas through the Kansas Housing Resources Corporation.

The Section 8 Program is headed by the HUD Program Director who reports directly to the Executive Director and is responsible for administration of the programs and the staff.

The organization of SEK-CAP Inc.'s Housing Program is as follows:

SEK-CAP Inc.'s Housing Program handles the clients from Application through Housing Choice Voucher issuance through termination, including inspections, using a case management system.

The staff members who are responsible for overall implementation of the program include: Executive Director, HUD Program Director, Support Staff, and Housing Inspectors.

The SEK-CAP Executive Director must formally approve any amount of expenditure from the HUD Section 8 Existing Housing Program Operating Reserve Account exceeding \$500.

The Staff Duties of the SEK-CAP Inc. Housing Program consists of the following:

#### **A. HUD Program Director**

The HUD Program Director will have the primary function of overseeing staff functions and overall operation of the program.

#### **B. HUD Program Assistant**

The HUD Program Assistant will perform all clerical and secretarial duties and all daily activities required by the program, and also, prints HUD rental assistance checks.

**C. Support Staff**

The Administrative Support staff will assist with clerical and secretarial duties required by the program. The support staff may be supplied from SEK-CAP Inc.'s Administrative Support division.

**D. Housing Inspector**

The Housing Inspector will work directly with landlords in inspecting housing to determine if it meets program requirements. All Housing Inspectors should be HQS certified

The Inspector will provide input on suitable housing quality standards that meet HUD requirements.

The Inspector will perform initial, biennial and complaint inspections when required.

The Inspector may file the required rent reasonable documentation for units at move-in and rent increases.

**F. Fiscal Staff**

All necessary financial needs and responsibilities will be performed by the SEK-CAP Accounting Services Department.

### **III. OUTREACH PROCEDURES**

#### **A. FAMILY OUTREACH**

The PHA continues to publicize and disseminate information, as needed, concerning the availability and nature of housing assistance for very low income families. Upon execution of an Annual Contributions Contract (ACC) for additional units, the PHA will make known to the public through publication in a newspaper of general circulation, minority media, and other suitable means the availability and nature of housing assistance for Very Low Income families, unless applications are sufficient to fill the vacancies with eligible families.

##### **1) Notice Requirements**

The Notice will:

- a.** Advise families that applications will be taken at the designated office;
- b.** Briefly describe the Section 8 program;
- c.** Briefly explain the Section 8 Waiting List.

To reach persons who cannot read the newspapers; the PHA will distribute fact sheets to the broadcasting media. Personal contacts with the news media and with community service personnel, as well as public service announcements, may be made.

#### **B. OWNER OUTREACH**

The PHA issues public invitations to owners as needed to make dwelling units available for leasing by eligible families in accordance with the Equal Opportunity Housing Plan. On a continuing basis, the PHA will welcome the participation of owners of decent, safe, and sanitary housing units.

- 1)** The Housing Staff of the PHA continues to make personal contact in the form of formal or informal discussions or meetings with private property owners, property managers, and real estate agencies to enhance Public Relations.

Program requirements are explained and printed material is offered to acquaint the owner/manager with the opportunities available under the program.

- 2)** The PHA will maintain an "Available Unit/Owners" file and continually update it as notified by owners of vacant units seeking Section 8 referrals.

#### **IV. ELIGIBILITY FOR ADMISSION**

The Family's initial eligibility for placement on the waiting list will be made in accordance with the following HUD and PHA factors and will not be verified until selection from the waiting list for a Housing Choice Voucher is made. Applicants must reside in the SEK-CAP PHA service area.

##### **A. FAMILY COMPOSITION**

- 1) A "family" may be a single person or a group of persons.
- 2) A "family" includes a family with a child or children.
- 3) A group of persons consisting of two or more elderly persons or disabled persons living together, or one or more elderly or disabled persons living with one or more live-in aides is a family. The PHA determines if any other group qualifies as a "family".
- 4) A single person family may be:
  - a. An elderly person.
  - b. A displaced person.
  - c. A disabled person.
  - d. Any other single person.

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

##### **B. LIVE-IN ATTENDANT:**

A Family may include a live-in attendant who:

- 1) Has been determined by the PHA to be essential to the care and well-being of the elderly, handicapped or disabled family member; and
- 2) Is not obligated for the support of the elderly, handicapped or disabled member; and
- 3) Would not be living in the unit except to provide care of the elderly, handicapped or disabled family member; and
- 4) Whose income will not be counted for purposes of determining eligibility or rent; and
- 5) Who may not be considered the remaining member of the tenant family.

Relatives are not automatically excluded from being care attendants, but must meet the definition described above.

A live-in attendant with a child to attend a sole occupant is not qualified as a live-in attendant, since the child is not needed to attend to the elderly, handicapped or disabled individual, unless the child meets the family definition.

Live-in attendants cannot be the remaining member of the tenant family if the person they are attending is no longer a participant in the Section 8 Existing Housing Program.

### **C. INCOME LIMITATIONS**

At least 75 percent of the families who are admitted to the HUD HCV Program during the program fiscal year must be considered meeting “extremely low income” limits as established by HUD.

To be income eligible, the applicant must be a family whose income falls within the very low-income category of 50% Area Median Income (AMI).

The applicable income limit for issuance of a voucher is the highest income limit (for the family size) of all the PHA’s jurisdiction.

The applicable income limit for admission to the program is the income limit for the area where the family initially leases a unit with assistance under the program.

### **D. MANDATORY SOCIAL SECURITY NUMBERS**

Families are required to provide Social Security Numbers for all family members age 6 and older prior to admission, if they have been issued a number by the Social Security Administration.

All members of the family defined above must either:

- 1) Submit Social Security Number documentation; or
- 2) Sign a certification if they have not been assigned a Social Security Number. If the individual is under 18, the certification must be executed by his or her parent or guardian. If the participant who has signed a certification form obtains a Social Security Number, it must be disclosed at the next regularly scheduled income reexamination.

Verification will be done through the provision of a valid Social Security card issued by the Social Security Administration or, if unable to produce an actual Social Security card, documentation cited as acceptable by applicable HUD regulations may be used.

The PHA will accept copies of acceptable Social Security number proof only when it is necessary for the PHA to verify by mail the continuing eligibility of participant families.

Applicants may not become participants until the documentation is provided. The applicant will retain their position on the waiting list during this period.

### **E. OTHER CRITERIA FOR ADMISSION**

Other criteria must be met for an applicant to be eligible for assistance under the Section 8 Program:

- 1) Family must have paid or be paying on a repayment agreement any outstanding debt owed the PHA or another PHA on any previous tenancy for Public Housing or Section 8 Existing.
- 2) Family must have left any previous tenancy under the Section 8 Program without being in violation of a family obligation under the Section 8 Housing Choice Voucher Program.

### **E. SUITABILITY OF TENANT**

The PHA does not screen for factors which relate to the suitability of the applicant family as tenants. It is the responsibility of the property owner to screen for suitability of tenants. The PHA will only screen for program eligibility, which is based on this Administrative Plan.

## **V. APPLYING FOR ADMISSION**

### **A. GENERAL POLICY**

Applications are taken to compile a waiting list. Applications will be taken online at [www.sekcap.housingmanager.com](http://www.sekcap.housingmanager.com). Dates and times applications will be taken will be publicized in local media and posted. Applications may also be completed by phone with a Housing staff person if applicant is unable to access a computer and/or internet connection.

### **B. APPLICATION TAKING**

Applications for Section 8 and Tenant Based Rental Assistance (TBRA) can be completed online at [www.sekcap.housingmanager.com](http://www.sekcap.housingmanager.com). Paper applications will not be accepted.

Individuals who have a physical impairment or other reason which would prevent them from making an online application may call the PHA to make special arrangements to complete their Application

Any family requesting an Application for rental assistance will be given the opportunity to fill one out as long as the PHA is accepting Applications.

### **C. APPLICATION PROCEDURES**

The PHA will utilize a basic Application form.

The purpose of the Application is to preliminarily assess family eligibility or ineligibility and to determine placement on the waiting list.

The Application will contain this basic type of information:

1. Names and ages of all household members
2. Sex and relationship of members
3. Address and telephone number(s)
4. Amount and source of all income and assets
5. Disability status of family member(s)
6. Social Security Numbers for household members
7. Medical Expenses for elderly and disabled families
8. Child Care Expenses
9. Date and time application is submitted

The Application is utilized for the Section 8 Program Housing Choice Voucher Program. Final eligibility will be determined prior to execution of the Housing Assistance Payment Contract.

Applicants are responsible for informing the PHA of changes in family circumstances (including income and household composition) and are responsible for responding to requests from the PHA to update Applications. Refusal to provide information may result in the applicant being removed from the waiting list and/or denial of services due to incomplete information.

#### **D. DETERMINATION AND NOTIFICATION OF FAMILY STATUS**

Based on the information on the Application, if the family is preliminarily determined eligible, the applicant will be placed on a waiting list by Application date and time.

##### **Applying Income Limits**

Annual Income is compared to the applicable income limit to determine eligibility.

A family's income must be within the income limits for the PHA's jurisdiction at the time the family receives a voucher to search for housing. In addition, the family, when it is first admitted, must select a unit in an area in which the family meets the income limit for the housing choice voucher program.

A PHA with more than one set of income limits within its jurisdiction should use the highest income limit within its jurisdiction when determining initial household eligibility. The highest income limit within SEK-CAP's jurisdiction is for Linn County. A family whose income is above the limits in one or more areas of that PHA's jurisdiction may lease only in an area where the family is income eligible when it executes its first lease assisted under the voucher program. Similarly, a family exercising portability when first admitted to the program must lease in an area where it is within the eligibility income limit.

##### **Right to Informal Review**

Ineligible applicants will be promptly provided with a letter detailing their individual status, stating the reason for their ineligibility, and offering them an opportunity for an informal review.

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

- a. Listing on the PHA's Waiting List
- b. Issuance of a Housing Choice Voucher
- c. Participation in the Program

Applicants must submit their request in writing to the PHA within ten (10) days from the date of the determination.

#### **E. BRIEFING AND ISSUANCE OF HOUSING CHOICE VOUCHER**

Applicants on the waiting list will be requested to come to a briefing appointment to complete verification of eligibility, be issued a voucher and have briefing packet explained by PHA staff.

## 1) Requirement to Attend Scheduled Meeting

It is the applicant's responsibility to attend all scheduled interviews. It is the applicant's responsibility to reschedule the interview if they are unable to attend or miss the appointment. It is the applicant's responsibility to bring all required documentation/information to the interview. If the applicant does not reschedule by the next working day, misses the scheduled meeting, or fails to provide required documentation/information at the interview the PHA has the right to reject the application.

All adult family members should attend the interview with the head of household and sign the housing application.

## 2) Verification of Application Information

Information provided by the applicant will be verified including information on family composition, income, assets, allowances and deductions, full time student status, and other factors relating to eligibility determination before the applicant is issued a Housing Choice Voucher.

Third party verifications in writing (sent by mail) are preferred. Oral third party verifications are accepted if they are properly documented.

Documents will be photocopied when not prohibited by law. When documents cannot be photocopied, staff certification forms noting document viewed will be used by recording the source of information, the information obtained, and signed and dated by the staff person who viewed the document.

If third party and documents viewed are not available as verification methods by the PHA, the PHA will accept a notarized applicant certification with the information needed.

## **F. FINAL DETERMINATION AND NOTIFICATION OF ELIGIBILITY**

After the verification process is completed, the PHA will make its final determination of eligibility, based on the same factors as preliminary eligibility, but with verified data now. A family is considered an applicant from the first submission of application materials to the effective date of the first HAP contract. Eligibility for assistance is determined while the family is considered an applicant.

## **G. DENIAL OF ADMISSION**

**PHAs will provide families with a written description of the following:**

- Family obligations under the program
- Grounds on which the PHA may deny assistance because of family action or failure to act
- Informal review and hearing procedures

### **Denial Actions**

Denial of assistance for an applicant may include:

- Denying listing on waiting list
- Denying or withdrawing a Voucher
- Refusing to enter into a HAP contract or to approve a lease
- Refusing to process or provide portability

## **Types of Denial**

Mandatory – those that HUD requires

Permissible – those that HUD authorizes PHAs to determine, as outlined in this Plan

### **Mandatory Denials for Certain Eligibility Requirements include:**

- A PHA must deny admission if the family does not meet the social security number disclosure, documentation, and certification requirements.
- A family must submit evidence of citizenship or eligible immigration status, and the PHA must deny assistance based on noncitizen rule regulations and applicable informal hearing procedures.
- A PHA must deny admission if the family does not meet income eligibility requirements.
- A PHA must deny admission to the program for an applicant if any member fails to sign consent forms for obtaining information.
- A PHA must deny or terminate assistance if any family member fails to meet the eligibility requirements concerning individuals enrolled at an institution of higher education as specified in 24 CFR 5.612.

### **Mandatory Denials for Drug Abuse or Other Criminal Activity include:**

#### **Eviction Due to Drug-Related Criminal Activity**

- A PHA may not admit an applicant to the PHA's HCV program for three years from the date of the eviction if any household member has been evicted from federally assisted housing for drug-related criminal activity.
  - o Drug-related criminal activity means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug.
  - o Drug means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)
- The PHA will admit the household if the PHA determines:
  - o The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised rehabilitation program approved by the PHA. Documentation of successful completion will be requested and reviewed prior to approval; or
  - o The circumstances leading to the eviction no longer exist (for example, the criminal household member has died or is imprisoned).

#### **Illegal Drug Use**

The PHA prohibits admission of a household to the PHA's HCV program if:

- The PHA determines that any household member is currently engaging in illegal use of a drug, or
- The PHA determines that it has reasonable cause to believe that a household member's illegal use or pattern of illegal use of a drug may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

A household member is "currently engaged in" the criminal activity if the person has engaged in the behavior recently enough to justify the belief that the behavior is current. This PHA considers a person to be "currently engaged in" illegal use of a drug if the person has been convicted of illegal use of a drug or had a positive Urinary Assessment (UA) within the last month.

Reasonable cause could be achieved by:

- o Multiple reports from neighbors or property owner
- o Letter from probation/parole officer

- Physical observation of illegal drug use or evidence of illegal drug use, along with documentation of observations by PHA staff

**Methamphetamine**

The PHA prohibits admission if any household member has ever been convicted of manufacturing or producing methamphetamine (commonly referred to as “speed”) on the premises of an assisted housing project (including the building or complex in which the unit is located and the associated common areas and grounds).

**Sex Offender Registration**

The PHA permanently prohibits admission to the PHA’s HCV program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

The PHA conducts a search of each adult household member via the Dru Sjodin National Sex Offender website. Should the search reveal an applicant’s household includes an individual subject to state lifetime registered sex offender registration, the PHA will offer the family the opportunity to remove that individual from the household.

**Abuse or Pattern of Abuse of Alcohol**

The PHA prohibits admission to the PHA’s HCV program if the PHA determines that it has reasonable cause to believe that a household member’s abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

Reasonable cause could be achieved by:

- Multiple reports from neighbors or property owner
- Letter from probation/parole officer
- Physical observation of household member’s abuse or pattern of abuse of alcohol, along with documentation of observations by PHA
- Alcohol-related court convictions within the last year

**Permissible Denials Administered by the PHA: Criminal Activity**

The PHA will prohibit admission of a household if the PHA determines that any household member is currently engaged in or has engaged in, during a reasonable time before admission one or more of the following behaviors:

- Drug-related criminal activity
- Violent criminal activity (HUD regulations at 24 CFR 5.100 define violent criminal activity to mean 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)
- Other 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
- Criminal activity that may threaten the health or safety of the owner, property management staff or persons performing work on behalf of the PHA (including a PHA employee or a PHA contractor, subcontractor or agent).

“Currently engaged in” shall be defined as within the last month.

“Reasonable time before admission” shall be defined as six months.

If the PHA previously denied admission to a household due to criminal activity, the PHA will reconsider the applicant if there is “sufficient evidence” that members of the household:

- Are not currently engaging in such criminal activity; or
- Have not engaged in such criminal activity during a reasonable period prior to admission.

A “reasonable period” prior to admission is six months.

“Sufficient evidence” will consist of a certification by a household member with supporting documentation (verified by the PHA) from one of the following sources:

- o Probation officer
- o Landlord
- o Neighbors
- o Social service agency workers
- o Criminal records

Arrest records are not considered “sufficient evidence” for denial or termination.

### **Permissible Denials Administered by the PHA: Other Issues**

The PHA will deny assistance to a family for reasons including:

- If the family violates any family obligation.
- If any member of the family has been evicted from federally-assisted housing in the last five years.
- If any family member commits fraud, bribery, or another corrupt or criminal act regarding any federal housing program.
- If the family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing programs. The family will be reconsidered for assistance if they provide proof of repayment agreement with the PHA in which they owe rent or other amounts. The family must remain in compliance the repayment agreement.
- If the family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damage to a unit or other amounts owed by the family under the lease. The family will be reconsidered for assistance if they provide proof of repayment agreement with the PHA in which they owe rent or other amounts. The family must remain in compliance with the repayment agreement.
- If the family breaches an agreement with the PHA to pay amounts owed to the PHA, or amounts paid to an owner by a PHA.
- If the family has engaged in or threatened abusive or violent behavior towards PHA personnel.

## **VI. WAITING LIST**

### **A. INITIAL WAITING LIST**

The PHA shall maintain a waiting list for Section 8 in accordance with the following factors:

- 1) The application will be a permanent file.
- 2) The list will be in order of date and time applications are received and applications maintained by sequential date and time.

- 3) All applications must meet “Very Low Income” eligibility requirements as established by HUD. Any exceptions to these requirements must have been previously approved by the HUD Field Office.

All Applications on the waiting list may be updated semi-annually to determine eligibility and need.

The following families will not be considered part of the waiting list and will be treated under the “Transfer” section of this Plan:

- 1) Portability families from another jurisdiction holding a valid Housing Choice Voucher.

#### **B. MAINTAINING THE WAITING LIST**

After the preliminary eligibility determination has been made, applicants are placed on the appropriate waiting list. The PHA will maintain an accurate waiting list which conforms to HUD requirements.

The waiting list will provide the following information on apparently eligible households who have an active Application:

- 1) Name of head of household
- 2) Date and time the Application was received
- 3) Unit size required

#### **E. UPDATING THE WAITING LIST**

The PHA will periodically update the waiting list to ensure that it is current and accurate.

The PHA will mail a letter to the applicant’s last known address, requesting information regarding their continued interest in maintaining a place on the waiting list.

If the applicant did not notify the PHA of a move as required, the PHA will not be responsible for the applicant’s failure to receive the update request.

The request letter will include a deadline date by which applicants must contact the PHA of their continued interest, by mail or in person. If the PHA fails to receive the applicant notice by the deadline date, the applicant’s name will be removed from the waiting list.

The PHA does not accept responsibility for mail delays.

#### **F. FINALIZING THE DETERMINATION**

Completed and verified applications are added to an “eligible to be notified” list and families are notified of briefing and issuance of Housing Choice Vouchers in accordance with this Administrative Plan.

## VII. OCCUPANCY STANDARDS

### A. HOUSING CHOICE VOUCHER SIZE ISSUED

HUD guidelines require that the PHA establish standards for the determination of Housing Choice Voucher bedroom size and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. They also must meet the minimum requirements of the Housing Quality Standards.

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

The general guidelines, found in CFR 982.401(d)(2)(ii), are used in determining the appropriate Housing Choice Voucher size for applicant families:

| <b>CERTIFICATE/VOUCHER<br/>SIZE</b> | <b>MINIMUM #<br/>PERSONS IN<br/>HOUSEHOLD</b> | <b>MAXIMUM #<br/>PERSONS IN<br/>HOUSEHOLD</b> |
|-------------------------------------|---|---|
| 0 BR                                | 1   | 1   |
| 1 BR                                | 1   | 2   |
| 2 BR                                | 2   | 4   |
| 3 BR                                | 3   | 6   |
| 4 BR                                | 4   | 8   |
| 5-6 BR                              | 6   | 10-12   |

One bedroom will be granted for two adults in the household, regardless of sex or familial status, unless an exception is requested by the family, in writing, and approved by the PHA. Two children of the opposite sex under the age of six years may share a room. Two children of the opposite sex, ages six and older, will be granted separate bedrooms for voucher unit size. Two children of the same sex will be granted one bedroom, regardless of age, unless an exception is requested by the family, in writing, and approved by the PHA.

The family may request a larger size than that listed on the Housing Choice Voucher by submitting to the PHA in writing a request for a larger size Voucher and give the justification for the request within 10 days of the determination of bedroom size by the PHA listed on the Voucher.

The PHA shall grant exceptions from the standards if the PHA determines the exceptions are justified by the relationship, age, sex, health or handicap of family members, or other individual circumstances. The PHA will consider the request per the conditions outlined in this Plan and determine whether the request will be granted. The necessity for an exception to unit size standards must be verified and documented. The granting of the exception shall be at the discretion of the PHA.

## **B. UNIT SIZE SELECTED**

The family may select a different size dwelling than that listed on the housing Choice Voucher.

There are three criteria to consider for the Voucher Program:

- 1) Payment Standard:** The PHA will always apply the Payment Standard for the Voucher size approved for the family or the unit size actually selected by the family, whichever is less.
- 2) Utility Allowance:** The utility allowance used to calculate the gross rent is based on the actual size of the unit the family selects, regardless of the size authorized on the family's Voucher.
- 3) Housing Quality Standards:** HQS allow 2 persons per living/sleeping room and would permit the following maximum occupancy, assuming a living room is used as a living/sleeping area:

**0-BR 1**  
**1-BR 4**  
**2-BR 6**  
**3 BR 8**  
**4-BR 10**  
**5-BR 12**  
**6-BR 14**

For the Voucher Program, families are not restricted by the bedroom size of the unit they select for housing other than the minimum Housing Quality Standards standard.

## **VIII. INCOME CONSIDERATIONS AND DETERMINATION OF TOTAL TENANT PAYMENT**

The Total Tenant Payment is calculated in accordance with 24 CFR Part 813. A quality control check is made of files per HUD regulations.

### **A. INCOME, ALLOWANCE, AND DEDUCTION POLICIES**

#### **1) Definition of Temporarily Absent**

If the family has to leave the household for more than 3 months, the unit will not be considered to be their principal place of residence and they will be terminated from the program.

If there is a one parent home and the children are taken away from the parent because of abuse, but, after counseling the children will be returned, the PHA will try to find out from Social Services how long it will be before the children will return. The parent will retain his/her eligibility as a remaining member of the tenant family. She/he may have to be issued a different size Voucher.

To determine whether and when the bedroom size should be changed, the case should be taken to the Program Director who will use an approximate time of three months as a guide, depending on the individual circumstances and verification provided.

If the single parent leaves the household and if another adult is brought in to take care of the children while the parent is away, as long as the family continues to meet the definition of family, the family's assistance will not be terminated. A change in family composition will be made if the stay is longer than 30 days.

#### **a. Spouse:**

If the husband or wife leaves the household and will be gone for 6 months or more of the recertification period and the family declares them permanently absent in writing, they will be determined permanently absent and will be removed from the lease.

If the husband or wife leaves the household and the period of time is estimated to be less than 6 months, the family member will be determined temporarily absent unless one of the situations below occurs.

If the husband or wife obtains a divorce or legal separation, the person who leaves the household will be considered permanently absent. (If the family member with children gives notice to the PHA before vacating the unit, the PHA will discuss the situation and make a determination as to who will retain the Voucher.)

If the spouse is incarcerated, a document from the Court or prison should be obtained as to how long they will be incarcerated.

#### **b. Adult Child:**

If an adult child goes into the military and leaves the household, they will be determined permanently absent.

A student (other than husband or wife) who attends school away from home but lives with the family during school recesses may be considered permanently absent (income not counted, not on lease, not counted for Voucher size) or temporarily absent (income counted, on lease, counted for Voucher size) at the family's option.

**c. Joint Custody of Children:**

Children who are subject to a joint custody agreement but live in the unit at least 50% of the time will be considered members of the household. "50% of the time" is defined as 183 days of the year, which do not have to run consecutively.

**d. Sole Member of Household:**

If the sole member of the household has to leave the household for more than 3 months, the unit will not be considered to be their principal place of residence and they will be terminated from the program unless the tenant requests an extension by submitting documentation from a reliable medical source that she/he will return within a total of 6 months (an additional 3 months.)

If the sole member of the household has to leave the household to go to the hospital or nursing home, advice from a reliable medical source will be obtained as to the likelihood their return. If the medical source feels they will be permanently confined to a nursing home, they will be considered permanently absent. If they are temporarily confined, they will not be considered permanently absent. In no event, however, will the unit be considered their principal place of residence when they are out of the household for more than 6 Months.

**e. Visitors:**

Visitors are allowed to stay for up to 30 days. If the person is a visitor and does not intend to become a "permanent" member of the family, the PHA does not have to consider this a change in family composition.

If an adult "visitor" stays in the unit for more than 30 days per year, they will be considered a member of the household. Minors may visit for up to 90 days per year without being considered a member of the household as long as they have written permission of the owner/manager to stay longer than 30 days and the head of household still claims them as temporary members.

**f. Reporting to Owner:**

All additional persons, whether a family member or a visitor, must be reported to the owner/manager. In the case of the minor staying longer than 30 days, as described above, written permission must be obtained from the owner, allowing them to continue in residence as a visitor.

**g. Reporting to the PHA:**

The family will have to declare a member as permanently or temporarily absent in writing to the PHA. The PHA will advise the family at that time, or at reexamination, what the options are and how it might affect the Total Tenant Payment or the Voucher size.

The family should be counseled at briefings and reexamination on the effect of the permanently/temporarily absent policy on income.

**h. Temporarily Absent Family Member's Income:**

Income of temporarily absent family members is counted.

If the spouse of the head of household is temporarily absent, his/her entire income is counted, whether or not she/he is on the lease.

If the spouse is temporarily absent and in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire) is counted as income.

**B. INCOME OF PERSON PERMANENTLY CONFINED TO NURSING HOME:**

If a family member is permanently confined to the hospital or nursing home, and there is a family member left in the household, the PHA will exclude the income of the person permanently confined to the nursing home and they will receive no deductions for the confined family member. (For determination as to whether the person is confined to a nursing home on a temporary or permanent basis, see the definition of Temporarily/Permanently Absent in this Plan.)

**C. AVERAGING INCOME:**

There are two ways to figure income when the income is not received for a full year:

1. Annualizing current income (and subsequently conducting an interim reexamination if income changes); or
2. Averaging known sources of income that vary to compute an annual income (no interim adjustment if income remains what was calculated).

The PHA will use the annualizing current income method for all families unless the Section 8 Program Director approves a deviation.

Last year's income may be analyzed to determine the amount of income to be anticipated when it cannot be clearly verified.

If the last three months of income are representative of the income which may be anticipated for the next year, such as overtime worked when the employer cannot anticipate how much overtime the family member will have over the next year, the last three months may be used to anticipate the income.

If the last three months of income are not representative of the income which may be anticipated for the next year, such as overtime worked only at Christmas, the overtime worked for the entire year will be used to anticipate income.

If the anticipated income from the employer shows a raise in pay which is to occur four months from the effective date of the recertification, income is to be calculated at the old rate for 4 months and at the new rate for 8 months.

If there are bonuses to be anticipated, but the employer does not know how much the bonus will be, the bonus from last year, if any, will be used for calculation purposes.

If, by averaging, a reasonable estimate can be made, that estimate is used instead of changing the HAP every month.

At reexamination, The PHA can use last year's income, if the income cannot be anticipated for the coming year, and average.

**D. REGULAR CONTRIBUTIONS AND GIFTS:**

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

This includes rent and utility payments paid on behalf of the family and other cash or non-cash contributions provided on a regular basis. It does not include casual contributions or sporadic gifts.

### **E. ALIMONY AND CHILD SUPPORT**

Regular alimony and child support payments are counted as income.

If the child support is not received on a regular basis, the PHA will count the amount of child support in the divorce decree or separation agreement unless the PHA verifies that the income is not provided.

In order to calculate with any other amount than the amount in the award, the PHA will obtain a certification form from the tenant as to how much is being received on an annual basis, plus they must have documentation in the file that the family has filed with the agency responsible for enforcing the payments.

When a printout is received (from the District Attorney's office, for example, for the prior 12 months), the PHA will use the amount received over the last 12 months if no projection of anticipated income can be made.

### **F. LUMP SUM RECEIPTS:**

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

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

- 1) While an individual is employed, only amounts the family can withdraw without retiring or terminating employment are counted.
- 2) After retirement or termination of employment, The PHA will count any amount the employee elects to receive as a lump sum.

Lump-sum payments caused by delays in processing periodic payments (unemployment, welfare assistance or social security benefits) are counted as income.

Treatment of accumulated periodic payments because the income was deferred due to a dispute is handled no differently than periodic payments which are deferred because of processing problems.

Treatment of the lump sum payment varies, depending upon the timing of the interim reexamination. When a reduction in income is reported, an interim adjustment is performed, and the family subsequently receives a lump sum payment which is classified as income (above), another interim adjustment will be conducted, using the lump sum amount as income and not applying it retroactively.

### **G. GRANTS AND SCHOLARSHIPS:**

Educational scholarships include various educational entitlements, grants, work-study programs, and financial aid packages. They also include amounts received by veterans for educational purposes.

The PHA will determine the purpose of the grant or scholarship from the financial aid office or other scholarship source.

The PHA will not verify how the student actually uses the funds that are provided. None of the "expense" categories will be defined because there is no verification of expenses.

Where the source does not designate which part of the grant or scholarship is used for "attendance costs" and which part for living expenses, the PHA may adopt any reasonable method to determine the portion

of the scholarship to count as income. The method adopted will not result in income for attendance costs being counted.

Student loans will not be considered income even if part of the loan is being used for general living expenses.

If a family member (student) is attending school away from home, the family may remove the person's name from the lease and exclude person's income completely, whether from scholarship or any other source, in accordance with HUD regulations.

#### **H. ASSETS DISPOSED OF FOR LESS THAN FAIR VALUE:**

The PHA will count assets disposed of for less than fair market value during the two years preceding examination or reexamination. The PHA will count the difference between the market value and the actual payment received.

Assets disposed of as a result of foreclosure or bankruptcies are not considered to be assets disposed of for less than fair market value. Generally, assets disposed of as a result of a divorce or separations are not considered to be assets disposed of for less than fair market value.

The PHA's threshold for counting assets disposed of for less than Fair Market value is \$1000. If the total amount of assets disposed of within a one year period is less than \$1000, they will not be considered an asset for the two year period.

If the total amount of assets disposed of within a one year period is more than \$1000, all assets disposed of for less than Fair Market value will be counted as assets for two years from the date the asset was disposed of.

#### **I. CHILD CARE:**

Childcare will not be given for attending a private school, rather than a public school. However, if the private school also provides day care or after-school care, in addition to regular school hours for school-age children, the after-hours care can be counted as childcare, as long as the family is eligible for childcare. The reasonableness standard for child care, use the following standards:

- 1) **Childcare to work:** The maximum childcare allowed will be based on the amount earned of the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.
- 2) **Child care for school:** The PHA will compare the number of hours the family member is attending school and base the reasonableness standard on the number of hours attending school (with the addition of some travel time to and from school) versus the number of hours claimed for child care.
- 3) **Rate of Expense:** The PHA will verify the actual amount paid for the childcare provider by the family in accordance with HUD regulations.

#### **J. MEDICAL EXPENSES:**

When it is unclear in the HUD rules as to whether or not to allow an item as a medical expense, IRS Publication 502 will be used as a guide.

## **IX. VERIFICATION PROCEDURES**

### **A. GENERAL POLICY**

The PHA verifies family income, family composition, status of full time students, value of assets and other factors relating to eligibility determinations before an applicant is issued a Voucher.

The PHA will verify information through five methods of verification according to the hierarchy listed below:

1. Up Front Income Verification (UIV)
2. Third-Party Written Verification
3. Third-Party Oral Verification
4. Review of Documents
5. Certification/Self-Declaration

The PHA will document the file as to how the information was verified including an explanation for the method utilized if other than a written third party verification. For applicants, verifications must be received 60 days prior to the issuance of a voucher. For participants, they will be valid for 90 consecutive days from date of receipt.

The PHA will utilize up-front income verification methods, including TASS and the Work Number, whenever possible as well as any other UIV that might become available. When HUD announces the availability of the UIV system, additional UIV tools will be used, including a centralized computer matching system. Third-party verification may continue to be used to compliment up-front income verification.

UIV may be used in lieu of third party verifications when there is not a substantial difference between UIV and tenant-reported income. HUD defines substantial difference as \$200 or more per month.

If the income reflected on the UIV verification is less than that reflected on the tenant-provided documentation, the PHA will use tenant-provided documents to calculate anticipated annual income as long as the difference is within the aforementioned \$200 threshold. The income reflected on the UIV verification must not be more than 60 days old.

If the income reflected on the UIV verification is greater than current tenant-provided documentation the PHA will use UIV income data to calculate anticipated annual income as long as the difference is with in the above mentioned \$200 threshold; unless the tenant provides documentation of a change in circumstances (i.e. change in employment, reduction in hours, etc.) The tenant-supplied documents must not be more than 60 days old.

In cases where UIV data is substantially different from tenant-reported income, the following guidelines will be used:

PHA will utilize written third party verification to verify the information

When the PHA cannot readily anticipate income, such as in cases of seasonal employment, unstable working hours, and suspected fraud PHA will review historical income data for patterns of employment, paid benefits, and/or receipt of other income to anticipate income.

The PHA will analyze all data (UIV data, third party verification and other documents; information provided by the family) and attempt to resolve the income discrepancy.

The PHA will use the most current verified income data (and historical income data if appropriate) to calculate anticipated annual income.

If the PHA is unable to anticipate annual income using current information due to historical fluctuations in income, PHA may average amounts received/earned to anticipate annual income.

If the tenant disputes UIV SS/SSI benefit data, PHA will request the tenant to provide a current original SSA notice or benefit letter within 10 business days of being notified of the dispute.

The PHA will request applicants and tenants to bring in documentation with them, which will be used if the third party verification is not received back.

The PHA will not photocopy government checks, but, instead, will use a “Document Viewed or Person Contacted” form or written and signed statement from SEK-CAP staff.

When the PHA uses oral third party verification, a “Document Viewed or Person Contacted” form or written statement will be filled out by the staff person.

The PHA will have each applicant/tenant sign a “blanket” authorization.

## **B. MINIMUM INCOME**

There is no minimum income requirement, but the staff will use good interviewing skills to determine whether there actually is income, but it is not being reported.

Families may not be required to apply for various types of assistance, but it may be suggested to them. If the family reports zero income, the PHA will have the family sign a statement stating they have no source of income. Families claiming very little or zero income may be periodically required to update their information to the PHA and document how they are paying expenses. Failure to do so acceptably may result in termination from the program with the appropriate written notice.

## **C. COST OF TRANSPORTATION FOR MEDICAL TREATMENT**

The PHA will use the mileage rate approved for use by IRS or cab receipts with to/from addresses listed for verification of the cost of transportation directly related to medical treatment.

## **D. NET INCOME FROM A BUSINESS**

The following documents show income for the prior years. Where there is no documentation for projected income from a business, the PHA will consult with tenants and use this data to estimate income for the next 12 months (in priority order):

- 1) IRS Tax Return, Form 1040, including any:
  - Schedule C (Small Business)
  - Schedule E (Rental Property Income)
  - Schedule F (Farm Income)
- 2) An accountant’s calculation of depreciation expense, computed using straight-line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement).
- 3) Audited or non-audited financial statement(s) of the business.
- 4) Loan Application listing income derived from the business during the previous 12 months.
  - Applicant’s notarized statement or affidavit as to net income realized from the business during previous years.

## **X. BRIEFING OF FAMILIES AND ISSUANCE OF VOUCHERS**

### **A. BRIEFINGS**

#### **1) Purpose of the Briefing:**

The purpose of the briefing is to go over the Housing Choice Voucher holders' packet in order to fully inform the participant about the program so that she/he will be able to discuss it with potential participating owners.

#### **2) Briefing Requirement:**

All families will be briefed when they are initially issued a Voucher. No Voucher will be awarded unless the household representative has been briefed.

#### **3) Format of the Briefing:**

A SEK-CAP staff member handles briefing of Voucher holders on a group or individual basis. If group briefings are conducted, applicants are interviewed individually after the group briefing, given an opportunity to ask questions and are requested to sign their Voucher.

The applicant is provided with the following:

- a. A Housing Choice Voucher holders packet containing:
  - i. Those items required by Section 982.301 of the regulations;
  - ii. A current list of interested landlords (at request);
  - iii. A list of Fair Market Rents, gross family rent worksheet and information on estimating of family's share of rent
  - iv. Procedures for notifying HUD or the PHA of program abuses such as required side payments or other overcharges and Housing Quality violations in the unit;
  - v. Any supplemental material the PHA may deem necessary.

#### **4) General Policies:**

In addition to the briefing requirements to be covered determined by HUD regulations, the following items shall be discussed thoroughly in the briefing session:

- a. A description of how the program works;
- b. Portability procedures;
- c. SEK-CAP staff will explain the Fair Housing Law and how to file a complaint with the agency and with HUD.

#### **5) Household Obligations under the Section 8 Existing Program:**

Generally, under the Section 8 Existing Program, the relationship between tenant and landlord are the same as in the private housing market. However, once a household receives a Section 8 Housing Choice Voucher, she/he has the following additional obligations:

- a. Finding a rental unit
- b. Turn in proper forms to the PHA within the Voucher Period so that the unit may be approved
- c. Keep appointments set by the PHA for determination of continued eligibility
- d. Notify the PHA in a timely manner of changes in household composition and changes in income.
- e. Notify the PHA prior to moving from their unit.

**6) Owner Referrals:**

Housing Choice Voucher holders are notified at their briefing session that the PHA maintains the listing of interested landlords. Additional assistance is provided as needed upon request.

**B. HOUSING CHOICE VOUCHER ISSUANCE**

After the briefing, staff will issue a Housing Choice Voucher that is a contract between the PHA and the household specifying the rights and responsibilities of each party.

The number of Vouchers issued must ensure that the PHA stays at 100% (or close as possible) lease-up. The PHA will determine when applications should be taken, the number of Vouchers to be issued based on turnover statistics, and whether or not the PHA should “over issue.”

**1) Expirations:**

The Housing Choice Voucher is valid for a period of 60 days from the date of issuance. Prior to expiration, the family may contact the PHA to inquire about assistance the PHA can provide the family in locating suitable housing.

The family must submit a Request for Lease Approval within the 60 day period unless an extension has been granted by the PHA.

**2) Extensions:**

A family may request an extension of the Voucher time period. All requests for extensions must be in writing received prior to the expiration date of the Voucher.

Extensions are permissible at the discretion of the PHA primarily for three reasons:

- a. 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 60 day period. Verification is required.
- b. The family has evidenced that they have made a consistent effort to locate a unit and request support services from staff, throughout the initial 60 day period with regard to their inability to locate a unit.
- c. The family has turned in a Request for Lease Approval prior to the expiration of the 60 day period and the unit is in the process of being brought up to the Housing Quality Standards.

The PHA’s staff extends in one or more increments, not to exceed an additional 60 days.

## C. HOUSING CHOICE VOUCHER PROGRAM PORTABILITY

### 1) Out-going Vouchers:

The PHA shall allow Voucher families to move to another locality and continue their rental assistance under the Housing Voucher Program as long as:

- a. The family has initially leased for a minimum of 12 full months in the SEK-CAP PHA service area/jurisdiction and is currently not in violation of any applicable program regulation. The Housing Services Director may grant exceptions for medical need and / or military assignments. Documentation from an acceptable professional source is required.
- b. They currently live in the PHA's jurisdiction and hold a valid Voucher.
- c. There is a Receiving PHA in the new locality to provide the required program services for the HUD-allowed fee.
- d. If the Payment Standard for the PHA in the new locality does exceed that used by SEK-CAP, Inc., the family will not be allowed to move with a SEK-CAP, Inc. Voucher if, based upon current funding level, it has insufficient funds to pay for higher subsidy amounts for families wishing to move to more expensive areas or units. If the PHA in the new area will absorb the family into their program, the family may move if all other criteria are met.

### 2) Section 8 Housing Choice Voucher Program:

It shall be the policy of the PHA to allow tenants to move from one assisted unit to another under the program within the PHA's jurisdiction as long as:

- a. The tenant does not violate the Family Obligations listed on the Voucher; or
- b. They do not owe this PHA or another PHA money paid under the Public Housing Program; or
- c. The PHA has not paid a claim for unpaid rent, damages, or vacancy loss under the Certificate/Voucher Program; or
- d. The tenant has to have been leased for one year and abided by the terms of the lease or obtains permission from the owner for any deviation from these terms.

The PHA will issue another Housing Choice Voucher to the tenant as long as they follow these procedures.

### 3) Incoming Vouchers:

The PHA will accept families with a valid Housing Choice Voucher from another PHA's jurisdiction.

The families will be serviced as follows:

- a. The PHA will administer the Housing Choice Voucher of the Initial PHA.
- b. If the PHA has an available Housing Choice Voucher, the family may be offered that form of assistance and the family will then be transferred to this PHA's program.

## **XI. LOCATING SUITABLE HOUSING**

### **A. RESPONSIBILITY FOR LOCATING HOUSING**

Once a Housing Choice Voucher has been issued, it is the family's responsibility to locate suitable housing. Selected housing must meet Housing Quality Standards requirements, including minimum bedroom size requirements for units.

The PHA will maintain updated referral lists of owners who have called the PHA to express their interest in participating in the program.

The PHA will provide suitable additional assistance to all families upon request.

### **B. ELIGIBLE TYPES OF HOUSING**

The following types of housing may be utilized on the Housing Choice Voucher program (unless designated otherwise):

- 1) All structure types can be utilized, including but not limited to single family, duplex, triplex, fourplex, garden apartments, townhouses, and highrises;
- 2) Manufactured homes where the tenant leases the mobile home and the pad; or owns home and leases mobile home lot only.
- 3) Independent Group Residences
- 4) Congregate Housing
- 5) Single Room Occupancy (only with Board and HUD approval):
- 6) Families may not lease properties owned by immediate family.
- 7) Housing owned, or an interest in, by the family being subsidized is prohibited.

### **C. REQUEST FOR LEASE APPROVAL AND LEASE**

The Request for Tenancy Approval must be submitted prior to the expiration of the Housing Choice Voucher, unless the Voucher has been extended by the PHA.

The Request for Tenancy Approval Form must be signed by both owner and Housing Choice Voucher holder. The lease is not to be executed by either party.

The PHA will review the documents to determine whether or not they are approvable. The PHA will also schedule a Housing Quality Standards inspection.

The unit must meet the Housing Quality Standards. If the PHA determines that the unit does not meet the Housing Quality Standards, the family and owner will be notified.

Upon final approval to proceed from the SEK-CAP Governing Board, the following procedures will be followed regarding "Lease-Purchase Agreements".

#### **D. LEASE-PURCHASE AGREEMENTS.**

- 1.** A family leasing a unit with assistance under the program may enter into an agreement with an owner to purchase the unit. So long as the family is receiving such rental assistance, all requirements applicable to families otherwise leasing units under the tenant-based program apply. Any home-ownership premium (e.g., increment of value attributable to the value of the lease-purchase right or agreement such as an extra monthly payment to accumulate a down payment or reduce the purchase price) included in the rent to the owner that would result in a higher subsidy amount than otherwise be paid by the PHA must be absorbed by the family.
- 2.** In determining whether the rent to owner for a unit subject to a lease-purchase agreement is a reasonable amount in accordance with 24 CFR Part 982.503, any home ownership premium paid by the family to the owner must be excluded when the PHA determines rent reasonableness.

For a family holding a Housing Choice Voucher and currently receiving assistance for the unit for which they wish to enter into a lease-purchase agreement all rules and regulations in this Administrative Plan and 24 CFR Part 982 as applies to a family receiving rental assistance under a Housing Choice Voucher also applies to a Lease Purchase Agreement.

In the event SEK-CAP, Inc. elects to enter into a lease-purchase with a family currently leasing a SEK-CAP, Inc. owned property under the Section 8 Housing Choice Voucher Program a **LEASE PURCHASE AGREEMENT CONTRACT MUST BE SIGNED BY THE SEK-CAP, Inc. EXECUTIVE DIRECTOR.**

## **XII.HOUSING QUALITY STANDARDS AND INSPECTIONS**

### **A. GENERAL PURPOSE**

The PHA is required by HUD regulations to inspect the unit to ensure that it is “decent, safe, and sanitary” as defined by HUD’s Housing Quality Standards. (24 CFR 982 .401)

The PHA has not adopted additional local requirements of acceptability.

No unit will be initially placed on the Section 8 Existing Housing Program unless these standards are met. Units must also meet the Housing Quality Standards as long as the family is on the program.

There are five types of inspections the PHA’s Inspectors will perform:

- 1) Initial
- 2) Biennial
- 3) Complaint
- 4) Move-Out/Damage
- 5) Quality Control

The Housing Quality Standards inspection by the PHA staff are not intended, nor does it, insure compliance with other pertinent codes. They are solely for the purpose of determining the eligibility of the unit for leasing in the Housing Choice Voucher program.

### **B. CRITERIA AND EXCEPTIONS TO HQS**

The PHA adheres to the acceptability criteria in the program regulations, Kansas Building Science Institute (KBSI) Housing Quality Standards booklet, and U.S. Department of Housing and Urban Development Inspection Form 52580-A. SEK-CAP recognizes the recommended Housing Quality Standards outlined in the KBSI Housing Quality Standards booklet.

### **INCLEMENT WEATHER EXTENSIONS**

A deficiency list is to be provided to the landlord when the property does not meet the recommended guidelines. Under normal circumstances, the landlord will be given 30 days to complete necessary repairs. An extension may be granted for deficiencies related to exterior deteriorated paint repairs and other types of exterior repairs that cannot be completed during cold and/or inclement weather. Cold and/or inclement weather extensions will be granted from November 1<sup>st</sup> to April 15<sup>th</sup>. The deadline of May 31<sup>st</sup> will be given for all cold and/or inclement weather extensions. The extension must be requested by the landlord and approved by the Housing & Homeless Services Manager. An HQS Extension Agreement must be signed by SEK-CAP Housing Manager, landlord, and tenant. Extensions will not be granted for households where a pregnant woman or children under 6 will reside. The landlord must complete all other repairs which are not contingent upon the weather prior to the weather extensions being granted. The inspection will be passed in the Lindsey system once the Extension Agreement has been signed by all parties. The property will be re-inspected on the deadline date outlined in the Extension Agreement. If the deficiencies are not corrected by the deadline date, the unit will go into abatement and termination. The tenant will be given a voucher/coupon to relocate as long as they are in compliance with program rules and regulations.

### **C. RENT REASONABLENESS TEST**

The PHA maintains an inspection standard to ensure quality of approved housing and requested rent meet the rent reasonableness test for Housing Choice Vouchers and landlords are given the opportunity to make the requested repairs. Factors affecting the rent reasonableness test are as follows:

- 1) Type and condition of wall covering;
- 2) Unit has been properly cleaned and repaired for tenant's immediate move-in;
- 3) Insulation and weather-stripping (beyond minimum);
- 4) Type of heat source;
- 5) Light covers;
- 6) Type and condition of floor covering;
- 7) Amenities such as dishwasher, garbage disposal, microwave oven, draperies, drapery rods, intercom, ceiling fan(s);
- 8) Neighborhood amenities with relationship to requested rent;
- 9) Square footage of unit;
- 10) Facilities such as parking, playgrounds, storage, garages, carports, swimming pools, recreation centers.
- 11) Other miscellaneous amenities, accommodation, services, etc. that may be provided.

### **D. CLEARING DEFICIENCIES**

The PHA will schedule a timely inspection of the unit upon receipt of a Request for Tenancy Approval. The family and the owner will be notified of the results.

If the unit fails the Housing Quality Standards inspection, the family and owner will be advised to notify the PHA once repairs are completed. A re-inspection will be automatically scheduled for 30 days from the date of the failed inspection. If a unit fails the re-inspection, a third inspection will only be scheduled at the request of the owner. Each rental unit will only be inspected a maximum of three times per inspection occurrence, i.e. biennial inspection, initial inspection, etc. Exceptions to this may be granted by the Program Director due to extenuating circumstances on a case- by- case basis.

### **XIII. LEAD BASED PAINT PROCEDURES**

The HOME Program LBP requirements are set out in §92.356 of the HOME Final Rule. This provision states that units and common areas in HOME-assisted projects are subject to *24 CFR Part 35* and *24 CFR 982.401(j)*, LBP provisions of the Section 8 Housing Quality Standards (HQS). The Kansas Housing Resources Corporation (KHRC) manages a HOME Tenant Based Rental Assistance (TBRA) program throughout the State by contracting with grantees to administer the program. As such, the LBP regulations affect the households assisted with funds through the TBRA program.

The regulations require all intact and non-intact interior and exterior surfaces in HOME-assisted projects must be inspected for the presence of defective paint (i.e., paint that is cracking, scaling, chipping, peeling, or loose). Where defective paint is found, it must be treated to eliminate the hazard. The method of removal and clean-up are prescribed by HUD in the regulations.

In the administration of the TBRA Program, the following guidelines are established to ensure the KHRC's HOME TBRA Program is in compliance with HUD's LBP regulations.

#### **A. Coupon Issuance**

When issuing a TBRA Coupon to a household, the grantee must brief the household on the hazards of lead paint. The following information may be provided:

- 1) EPA Fact Sheet- "*Ten Tips to Protect Children from Pesticide and Lead Poisonings around the House.*"
- 2) Pamphlet – "*Protect Your Family from Lead in Your Home.*" U.S. Environmental Protection Agency, EPA747-D-94-001, May 1995.

When issuing a TBRA Coupon to a household, the grantee must provide the following forms. Completion by the head of the household is optional.

- 1) *Elevated Blood Level Verification Form*
- 2) *Tenant Notice of Defect/Notice of Elevated Blood Level above 15 ug*

#### **B. Initial and Biennial Inspections**

Grantees must inspect all housing units receiving TBRA funds. An inspection must be completed before the household takes possession of the unit and at least biennially during the term of the rental assistance contract.

To address the LBP regulations, the grantee must inspect the unit using the guidelines set forth in the HQS Inspection, *form HUD-52580-A*, or any other form prescribed by HUD. The inspections must include a visual evaluation for defective paint surfaces. Defective paint surfaces must be treated by covering or removing if the total area of defective paint on a component is:

- 1) More than 20 square feet on an exterior wall;
- 2) More than 2 square feet on an interior or exterior component with a large surface area, including exterior walls and including, but not limited to, ceilings, floors, doors, and interior walls; or,

- 3) More than 10 percent of total surface on an interior or exterior component with a small surface area, including, but not limited to,
- 4) If the inspector identifies lead hazards, the inspector must fail the unit and the owner must treat to eliminate the hazards or the unit will not be approved for assistance. Treatment is removal of the defective paint and repainting of the surface.
- 5) If the owner refuses to treat identified lead hazards, the unit cannot be approved and the household will need to locate a more suitable unit to lease.
- 6) If the owner agrees to treat identified lead hazards, he or she must follow the steps prescribed by HUD and the EPA to address the lead hazards. Trained workers, safe work practices, relocation, and clearance of the unit are required. The owner will be responsible for all expenses incurred while treating identified lead hazards. The grantee must document all activities performed to treat identified lead hazards. Documents such as the lead paint assessment and final clearance report must be provided.

On-going maintenance requirements must take place including the use of safe work practices and trained maintenance workers.

### **C. Rental Assistance Contract / Leasing**

Every unit must pass the HQS inspection before the grantee can sign a rental assistance payments contract with an owner. The rental assistance payments contract cannot be effective until all lead hazards have been addressed and the unit has passed the HQS inspection.

If the household sign a lease with an owner before the unit passes the inspection, the grantee must notify the household that they are responsible for full contract rent until the effective date of the rental assistance payments contract. Rental assistance cannot be paid retroactive to the effective date of the lease.

### **D. Children With Elevated Blood Levels-24 Cfr Subpart M-Tenant Based Rental Assistance**

#### **1) § 35.1225 Child with an environmental intervention blood lead level.**

(a) Within 15 days after being notified by a public health department or other medical health care provider that a child of less than 6 years of age living in an assisted dwelling unit has been identified as having an environmental intervention blood lead level, the designated party shall complete a risk assessment of the dwelling unit in which the child lived at the time the blood was last sampled and of the common areas servicing the dwelling unit. The risk assessment shall be conducted in accordance with § 35.1320(b). When the risk assessment is complete, the designated party shall immediately provide the report of the risk assessment to the owner of the dwelling unit. If the child identified as having an environmental intervention blood lead level is no longer living in the unit when the designated party receives notification from the public health department or other medical health care provider, but another household receiving tenant-based rental assistance is living in the unit or is planning to live there, the requirements of this section apply just as they do if the child still lives in the unit. If a public health department has already conducted an evaluation of the dwelling unit, or the designated party conducted a risk assessment of the unit and common areas servicing the unit between the date the child's blood was last sampled and the date when the designated party received the notification of the environmental intervention blood lead level, the requirements of this paragraph shall not apply.

**(b) Verification.** After receiving information from a source other than a public health department or other medical health care provider that a child of less than 6 years of age living in an assisted dwelling unit may have an environmental intervention blood lead level, the designated party shall immediately verify the information with a public health department or other medical health care provider. If that department or provider verifies that the child has an environmental intervention blood lead level, such verification shall constitute notification to the designated party as provided in paragraph (a) of this section, and the designated party shall take the action required in paragraphs (a) and ©) of this section.

**(c) Hazard reduction.** Within 30 days after receiving the risk assessment report from the designated party or the evaluation from the public health department, the owner shall complete the reduction of identified lead-based paint hazards in accordance with § 35.1325 or § 35.1330. Hazard reduction is considered complete when clearance is achieved in accordance with § 35.1340 and the clearance report states that all lead-based paint hazards identified in the risk assessment have been treated with interim controls or abatement or when the public health department certifies that the lead-based paint hazard reduction is complete. If the owner does not complete the hazard reduction required by this section, the dwelling unit is in violation of Housing Quality Standards (HQS).

**(d) Notice of evaluation and hazard reduction.** The owner shall notify building residents of any evaluation or hazard reduction activities in accordance with § 35.125.

**(e) Reporting requirement.** The designated party shall report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 working days of being so notified by any other medical health care professional.

## 2) DATA COLLECTION

**(f) Data collection and record keeping responsibilities.** At least quarterly, the designated party shall attempt to obtain from the public health department(s) with area(s) of jurisdiction similar to that of the designated party the names and/or addresses of children of less than 6 years of age with an identified environmental intervention blood lead level. At least quarterly, the designated party shall also report an updated list of the addresses of units receiving assistance under a tenant-based rental assistance program to the same public health department(s), except that the report(s) to the public health department(s) is not required if the health department states that it does not wish to receive such report. If it obtains names and addresses of environmental intervention blood lead level children from the public health department(s), the designated party shall match information on cases of environmental intervention blood lead levels with the names and addresses of families receiving tenant-based rental assistance, unless the public health department performs such a matching procedure. If a match occurs, the designated party shall carry out the requirements of this section.

## E. KHRC Grant Amendment, Spring 2002-Relocation Expenses/Landlord Amendment to TBRA Grant

- 1) **Grant Agreement Section VII., Part C, Obligations of Grantee be amended as follows:** If assisted occupancy has commenced prior to a biennial or periodic inspection, and the visual inspection reveals deteriorated lead-based paint, the owner shall stabilize each deteriorated paint surface in accordance with 24 CFR Part 35.1330 and

**(a)** Such paint stabilization must be completed within 30 days of notification to the owner of the results of the visual assessment. Depending upon the scope of the work undertaken to stabilize the paint, and if necessary, the owner at his/her expense, is responsible for relocating the tenants to a comparable, safe, and sanitary dwelling free of lead-based paint while the work is taking place. Paint stabilization is considered complete when clearance is achieved in accordance with 24 CFR Part 35.1340. The owner shall provide a notice to occupants in accordance with 24 CFR 35.125(b) (1) and

**(b)** Describing the results of the clearance examination.

## **XIV. LEASE APPROVAL AND HAP/VOUCHER CONTRACT EXECUTION**

### **A. DOCUMENTS SUBMITTED**

The PHA may encourage the owner to use a lease provided by the PHA.

The family shall be required to turn in the completed Request for Tenancy Approval prior to the expiration of the Housing Choice Voucher.

### **B. RENT REASONABLENESS DETERMINATION**

The PHA will make a determination as to the reasonableness of the rent the owner is proposing in relation to comparable units on the private unassisted market.

The market area for rent reasonableness comparables is the county in which the unit is located.

Rent reasonableness determinations are made when units are placed under HAP contract for the first time and when owners request annual or special contract rent adjustments.

The PHA will certify and document on a case-by-case basis that the approved rent:

Does not exceed rent charged by the owner for comparable unassisted units in the private market; and is reasonable in relation to rents charged by other owners for comparable units on the private market.

These items will be used for rent reasonableness documentation:

1. Square Feet
2. Number of Bedrooms
3. Number of Bathrooms
4. Location
5. Unit Type
6. Quality
7. Amenities
8. Facilities
9. Date Built
10. Management and Maintenance Services

The PHA will maintain a book which includes comparable data on unassisted units in the market. This book will be used by staff in making their rent reasonableness determinations. This book will be updated on a regular basis.

### **C. SEPARATE AGREEMENTS**

Owners and tenants may execute agreements for services, appliances (other than for range and refrigerator) and other items outside those which are provided under the lease if the agreement is in writing and approved by the PHA.

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

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

If the tenant and owner have come to an agreement on the amount of charges for a specific item, so long as those charges are reasonable and not a substitute for higher rent, they will be allowed. Costs for seasonal items can be spread out over 12 months.

Copies of all separate agreements must be provided to the PHA.

#### **D. LEASE APPROVAL/DISAPPROVAL**

After the PHA has reviewed the Request for Tenancy Approval, conducted and passed HQS inspection, certified and documented rent reasonableness, the PHA approves the lease.

If the PHA determines that the lease cannot be approved for any reason, the landlord and the family will be notified and the reasons provided.

If the proposed Gross Rent exceeds the Payment Standard to the point the tenant share will exceed 40% of family monthly income, the PHA will discuss with the landlord the possibility of either reducing the Contract Rent or including some or all of the utilities in the Contract Rent.

If the owner accepts the offer of a revised rent, the PHA will continue processing the Request for Tenancy Approval and Lease.

If the owner does not agree on the contract rent, after the PHA has tried and failed to negotiate a revised rent, the PHA will inform the tenant that the lease is disapproved. The tenant should continue to locate eligible housing.

If the unit fails inspection, the PHA will provide the landlord with a detailed list of items that must be corrected and provide with landlord a reasonable period of time to make the repairs.

#### **E. HAP CONTRACT EXECUTION**

Prior to Housing Assistance Payment (HAP) Contract execution, the PHA will reconfirm the family's composition and critical information about income and allowances.

If significant changes have occurred, the information will be verified and the Total Tenant Payment will be recalculated. The PHA will not reverify information or recalculate the Total Tenant Payment merely because previous verification is more than 120 days old, in this situation.

When the lease approval process is completed, the PHA will notify the landlord and the family of the lease approval or disapproval. If the lease is approved, the PHA will prepare the HAP Contract and Lease Addendum.

To prepare the documents, the PHA will compute the Total Tenant Payment, Tenant Rent, Utility Reimbursement (if any), and the Housing Assistance Payment.

Once the leasing documents are prepared, the PHA will have the documents executed by the family, owner, and the PHA, as appropriate, and send appropriate copies to each party.

## **XV. OWNER PAYMENT AND UTILITY ALLOWANCE**

### **A. OWNER PAYMENT IN THE HOUSING CHOICE VOUCHER PROGRAM**

The Payment Standard for Housing Choice Voucher Program may not exceed 110% of the area HUD Published Fair Market Rate.

The maximum subsidy level for each family is determined by the Payment Standard for the family less 30% of the family's Monthly Adjusted Income. The actual subsidy level could be less if the family is required to pay the Minimum Total Tenant Payment (greater of 10% of the family's Monthly Income or \$25.00)

The Payment Standard to be used in the calculation is based on the Voucher size the family holds.

The Housing Assistance Payment to the Owner is the lesser of the:

- 1) Actual Housing Voucher Subsidy described above; or
- 2) The Rent to Owner.

### **B. UTILITY ALLOWANCE**

The Total Tenant Payment is the payment the family makes toward rent and an allowance for utilities.

If the family pays for some or all utilities, the PHA will provide the family with a utility allowance. The allowances are based on actual rates and average consumption estimates, not on a family's actual energy consumption.

The utility allowance is given as a reduction in the tenant's portion of rent to be paid to the owner.

The PHA will review the Utility Allowance Schedule on an annual basis. If a revision is needed, based on methods required by HUD, the Utility Allowance Schedule will be revised. The revised schedule will be utilized for units under lease at the time of the next reexamination (interim or annual).

Approved utility allowance schedule(s) will be given to families at the time a Housing Choice Voucher is issued. The same schedule will be used by the PHA to record the actual utility allowance for the unit the family selects if there are tenant-paid utilities.

Where families provide their own range and refrigerator, the PHA will establish an allowance adequate for the family to purchase or rent a range or refrigerator, even if the family already owns either appliance. Allowances for ranges and refrigerators will be based on the lesser of the cost of leasing or purchasing the appropriate appliance, based on factors provided by HUD.

Effective July 1<sup>st</sup>, 2014, the Federal Register states, "Section 242 establishes a cap on the utility allowance for families leasing oversized units. The cap is set at an amount based on family size rather than the size of the unit leased, with the ability to set a higher amount to provide a reasonable accommodation to the family of a person with disabilities, harmonizing the utility allowance standard with the payment standard requirement".

### **C. MAKING PAYMENTS TO OWNERS**

Once the HAP Contract is executed, the PHA begins processing payments to the landlord. Prior to payments to the landlord, she/he must furnish information to complete IRS Form #1099. An initial

processing form with the effective date and the amount of the HAP payment will be prepared. A HAP Register will be used as a basis for monitoring the accuracy of payments. The PHA will maintain the HAP Register for monthly changes to be made to the owner. Checks are disbursed by the PHA to the owner each month.

**D. UTILITY REIMBURSEMENT PAYMENTS**

Where the Utility Allowance exceeds the Total Tenant Payment of the family, the PHA will provide a Utility Reimbursement Payment to the family each month.

The check will be made out directly to the tenant.

## **XVI. ANNUAL/BIENNIAL ACTIVITIES**

There are three activities the PHA conducts on an annual and/or biennial basis. These activities will be coordinated whenever possible:

- 1) Annual Recertification of Income**
- 2) Biennial HQS Inspection**
- 3) Contract Rent Increase by Owner (On Request)**

The PHA maintains a listing of units under contract by month to ensure systematic reviews of contract rent, allowances for utilities and other services, and housing quality in accordance with the requirement for annual reexamination. Monetary changes are computed by staff to affect a change in the next rental payment.

A survey of utility rate increases within the PHA's jurisdiction will be made annually and the schedule for Utility Allowances and Other Services will be adjusted as needed.

Requests from families for reviews and/or inspections of units are handled in a timely manner. If the quality control check of files reveals a need for a special review, one is promptly performed. Files, which have been deemed "unstable" because of fluctuating family circumstances, are reviewed regularly until the situation stabilizes.

### **A. ANNUAL RECERTIFICATION**

Families will be requested to provide information on income, assets, allowances and deductions, and family composition at least annually.

Annual recertifications for midmonth move-ins (e.g. September 15<sup>th</sup>) will be conducted no later than the following year by the first of the month (e.g. September 1<sup>st</sup>).

When families move to another dwelling unit, an annual recertification may be scheduled.

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

- 1) Re-examination Notice to the Family**

The PHA will maintain a reexamination tracking system and at least 60-120 days in advance of the scheduled annual recertification effective date, the head of household will be notified that she/he is scheduled for a recertification interview.

- 2) Verification of Information Provided**

The PHA will send out third party verifications wherever possible. If third party verifications are not returned timely, documents provided by the tenant may be used for verification.

- 3) Changes in Tenant Rent**

When the information is analyzed, all necessary documents are prepared and signed and all other requirements have been met, the PHA will recalculate the tenant's portion of rent.

The PHA will notify both the owner and tenant of its determination and of the new rent to be paid by the tenant (and new Housing Assistance Payment to be paid by the PHA) if applicable.

If there is a rent increase, the new rent portion will go into effect following a full thirty-day notice prior to the first of the month. (If there has been misrepresentation by the tenant, or if the tenant caused a delay in the reexamination processing, there may be an increase in rent made retroactively.)

If there is a rent decrease, the PHA will recertify the family immediately.

## **B. BIENNIAL HQS INSPECTION**

### **1) General Policy**

The PHA will conduct an inspection using the Housing Quality Standards at least biennially. Biennial inspections for midmonth move-ins (e.g. September 15<sup>th</sup>) will be conducted no later than the first of the move-in month (e.g. September 1<sup>st</sup>) every two years.

HQS fails normally must be corrected by the owner. Tenants are responsible for correcting HQS fail and/or inconclusive items resulting from:

- a. Failure to pay tenant provided utilities
- b. Failure to supply appliances as required by the lease
- c. Damage to the unit caused by tenant(s) and/or tenant guest(s)

A unit may fail Housing Quality Standards if there are five or more minor items that would normally not fail the unit by themselves. The PHA's determination will be based upon projected failures of the items prior to the next Housing Quality Standards inspection.

The owner will be given time to correct the fail items. The PHA still uses the following guidelines as appropriate.

If the item endangers the family's health or safety, the owner will be given 24 hours to correct the violation. The PHA will handle these by telephone verification with file documentation.

For less serious failures, the owner will be given up to 30 days to correct the item(s). The PHA will handle these by a notice to the owner.

If the owner fails to correct failed items, after she/he has been given a reasonable time to correct the items, the Housing Assistance Payment will be abated.

### **2) Abatement**

When it has been determined that a unit on the program fails to meet Housing Quality Standards and the owner has been given an opportunity to correct the problem(s) and does not do so within the time frame established by the PHA, the rent for the unit shall be abated.

The abatement shall continue until all items which caused the unit to fail have been corrected or thirty days.

The PHA will inspect abated units within seven working days of the owner's contact with the PHA to report the completed work.

The abatement will end the first business day following the owner's call.

Once the unit has passed inspection, Housing Assistance Payments will be pro-rated, based on the date the unit passes HQS inspection. The owner will not receive Housing Assistance Payments for the time period of abatement.

**3) HAP Contract Termination**

If the owner fails to correct all the items cited within thirty days of the beginning of the abatement period, the Contract will be terminated.

While the termination notice is running, the abatement will remain in effect. However, the Program Director may, prior to the termination, arrange for an Inspector to inspect the fail item(s).

Once the HAP Contract is terminated (with a thirty days notice prior to the first of the month) it will not be reinstated. The tenant is given a new Housing Choice Voucher to move.

To reiterate this: When the Housing Assistance Payments Contract is terminated for Housing Quality Standards violation(s), it cannot be reinstated. If repairs are done before the effective termination date, the termination can be rescinded if the tenant chooses to do so.

**C. RENT INCREASES BY OWNER**

**1) Housing Choice Voucher Program:**

Owners must request rent increases 60 days prior to the annual recertification date.

PHA will do a rent reasonableness analysis and grant increase in accordance with 24 CFR 982.509, if determined acceptable.

Rent increases will normally only be allowed at annual recertification and only in accordance with all HUD regulations.

Documentation on comparable rents will be maintained in the Rent Reasonableness module of the Lindsey Software System.

## **XVII. INTERIM RECERTIFICATIONS**

### **A. REQUIRED CHANGES TO REPORT**

#### **1) Housing Choice Voucher Program**

Tenant Rent will remain in effect for the period between regularly scheduled reexaminations except:

- a.** The tenant must report all changes in the household composition.
- b.** The tenant may report any of the following changes which would result in a decrease in the tenant's rent:
  - i.** Decrease in income;
  - ii.** Increase in allowances or deductions.

Decreases in the tenant portion of the rent will be effective the first day of the month following the month in which the change occurs if reported in a timely manner.

- c.** The tenant must report any of the following factors which could result in an increase in rent:
  - i.** An increase in gross household income of \$50.00 or more per month;
  - ii.** Change in family composition (which could either provide additional income to the household or reduce the deductions and allowances for which the family qualifies);
  - iii.** Receipt of a deferred payment in a lump sum, which represents the delayed start of a periodic payment such as unemployment or social security benefits or a deferral due to a dispute (such as back child support payments).
- d.** Any other changes reported by tenants other than those listed in (1), (2), or (3) above or those situations listed below may not be processed between regularly scheduled annual recertifications.

All changes must be reported by tenants in writing to the PHA. However, the Total Tenant Payment or Tenant Rent may be changed in addition to the reasons listed above if there is a change in the rent to the owner that causes a change in Total Tenant Payment or Tenant Rent.

### **B. FORMS USED FOR INTERIMS**

The Staff will process the HUD 50058, and HUD worksheets to show the calculation and a Notification of Adjustment in Rent.

The PHA will send the Notification of Adjustment in Rent to the tenant. Signatures are required of the owner and tenant. This form must be returned to the PHA within ten days.

## C. TIMELY REPORTING

### 1) **Standard for Timely Reporting of Changes:**

The standard for reporting changes in a timely manner is for the family to report the change within ten days of the occurrence of the change.

The tenant must bring the required information with them to the interview, or provide it by mail immediately upon PHA request. If necessary, third party verification may be obtained.

If the tenant does not return the requested information within ten days of the PHA request, the Total Tenant Payment is calculated when the verification is received, and it will be considered “untimely reporting” by the tenant.

### 2) **Procedures When the Change is reported in a Timely Manner:**

The PHA will notify the family and the owner of any change in the Housing Assistance Payment to be effective according to the following:

- a. The family will always be given a 30-day notice prior to the first of the month for a rent increase. Increases in the tenant rent are to be made effective upon thirty days notice, prior to the first of the month, so that the change is always effective on the first of the month, rather than some date within the month.
- b. Decreases in the tenant rent are to be made effective the first of the month following that in which the change was reported. However, no downward rent adjustments are to be processed until all the facts have been verified, even if a retroactive adjustment results.

If the decrease is reported in a timely manner (i.e. within ten days of the occurrence of the change), then decreases in the family’s Total Tenant Payment must be effective the first of the month following the change.

Where an error was made at admission or reexamination the family will not be charged retroactively for an error made by Housing Authority personnel.

The change may be based on the documentation the tenant provided, followed up by the third party verification. Verbal confirmation by the tenant will not be acceptable.

If the tenant does not provide the information, they will be requested to supply the documentation as soon as possible.

Tenants may not waive the 30-day written notice for an increase.

### 3) **Procedures when the Change is not reported in a Timely Manner:**

If the family does not report the change within ten days of occurrence, the family will be determined to have caused an unreasonable delay in the interim reexamination processing.

- a. **Increased Tenant Rent:** The change will be effective on the first of the month thirty days following the processed change, and HAP overpayment will be calculated retroactively to the date it should have been effective if the change were processed in a timely manner within the month of the report.

- b. Decreased Tenant Rent:** The change will be effective on the first of the month following the reported change. However, if the change occurs on the last working day of the month and the tenant cannot report until the next working day, the change can be made effective on the first of the month following the change.

Deviation from normal effective dates is justified because of the tenant's failure to supply the required report.

The calculation is the same even if there is change three or four years ago that the tenant did not report and should have. The change is retroactive to the original date even if they have been changing jobs every six months and have not reported their job income at reexamination. A history has to be established to determine how much money the tenant owes the PHA.

If a tenant fails to timely report a change that would cause a decrease in tenant rent amount, the change will be effective the first of the month following the report and appropriate documentation of this change.

**4) Procedures When the Change Is Not Processed by the PHA in a Timely Manner:**

"Processed in a timely manner" means that the change is effective on the date it would have been effective when the tenant reported the change in a timely manner.

If the change cannot be made effective on those dates, using the required notice periods, the change is not processed by the PHA in a timely manner.

If changes are not processed by the PHA staff in a timely manner, the change will be effective on the first of the month thirty days following the processed change. In addition, if the change resulted in a decrease, an overpayment by the tenant will be calculated retroactively to the date it should have been effective and a check will be sent to the tenant.

**5) Timing of Next Annual Recertification:**

In the event there is an interim adjustment completed, the next regular reexamination will be scheduled within a year from the last effective date of the annual reexamination of family contribution.

## **XVIII. HOUSING QUALITY STANDARDS COMPLAINTS**

### **A. GENERAL POLICY**

The units have to be inspected at least biennially, using Housing Quality Standards. If the tenant or owner complains that the unit does not meet Housing Quality Standards, the PHA will conduct an inspection.

The staff will inspect only the items that the tenant or owner are complaining about, but if other fail items are noticed during the inspection, the staff will also note those items and require the owner to repair the failed items.

The owner must correct HQS fails, even if the family caused them. Fail items such as knob missing off a tenant's stove or broken windows.

A unit may fail Housing Quality Standards if there are five or more minor items that would normally not fail the unit by themselves. The PHA determination will be based upon projected failures of the items prior to the next Housing Quality Standards inspection.

## **XIX. TERMINATION AND FAMILY MOVES**

### **A. FAMILY MOVES**

The family can decide to move to another unit. If the family has been under lease for one year and has not violated their Housing Choice Voucher lease, does not owe the PHA Money and/or is not in violation of applicable program regulations, the family will be issued a Housing Choice Voucher to search for another unit. Any/all moves must be made in accordance with all rules governing tenant moves.

If the family does not locate a new dwelling unit to move to, as long as they have not given notice to their owner (or their owner rescinds the notice upon their request), they may remain in the current rental unit and receive assistance as if they had never requested the move. Documentation may be required if deemed necessary due to owner, tenant and/or PHA concern.

If the family locates another dwelling unit, it will be processed as a new move. This means that another reexamination will be conducted and a new inspection effective date will be set up, even if the last reexamination was conducted less than 12 months ago.

### **B. FAMILY NOTICE TO MOVE**

Briefing sessions will emphasize the family's responsibility to give the owner and the PHA proper written notice of any intent to move and abide by all program regulations in order to insure moves will be approved when requested and to maintain program integrity.

The family must provide the PHA with written notice prior to vacating the unit.

### **C. HOUSING CHOICE VOUCHER ISSUANCE DETERMINATION FOR SPLIT HOUSEHOLDS**

When the household is divided and becomes more than one household (e.g. divorce or Legal separation), the PHA will determine who is eligible to participate in the program.

Factors to be considered in making this decision are whether the assistance should remain with family members remaining in the original assisted unit. The interest of minor children, or of ill, elderly or disabled families and whether family members are forced to move as a result of actual or threatened physical violence by spouse or other member of household.

The Housing Choice Voucher may be retained by either household, if there is mutual Consent or a Court stipulated determination of which household retains the Voucher.

### **D. EVICTIONS**

Owners must abide by all applicable tenant and landlord law requirements in order to evict a tenant. If the owner wants to evict the tenant, she/he must use the means available in the lease contract and abide by legal codes for such matters.

- 1) The owner can institute court action, using the grounds for eviction cited in the lease; or
- 2) The owner can try to obtain a mutual rescission of lease from the tenant (signed by both parties).

Other actions may result in the tenant leaving such as:

- 1) If the owner wants a rent that is unapprovable by the PHA, the PHA would disapprove the rent increase request and the owner might institute court action because they want a higher rent (only after the first term);
- 2) The owner may choose not to make repairs required by the Housing Quality Standards;
- 3) The unit becomes over crowded according to HQS occupancy standards.
- 4) The tenant is issued another Housing Choice Voucher to move to another unit, unless there are grounds to deny or terminate assistance (see Termination of Assistance section.)

If the tenant locates another unit, the initial Recertification Procedures are followed.

#### **E. OWNER NOTICE TO MOVE**

Owners must give tenants notice according to the Lease Addendum provisions and applicable law. Owners are required to follow eviction procedures consistent with their contract and must comply with the requirements of Federal, State, and local law.

#### **F. FAMILY MISREPRESENTATION**

If the family has committed fraud in connection with the Section 8 Existing Housing Program, the PHA may terminate assistance and cancel the contract.

In addition, if the family has misrepresented income, assets, or allowances and deductions which would have caused them to pay more, the PHA will make every effort to recover any overpayments made as a result of tenant fraud or abuse.

#### **G. OWNER MISREPRESENTATION**

If the landlord has committed fraud or misrepresentation in connection with the Section 8 Existing Program, the PHA will terminate the Contract and review the circumstances and family's involvement to determine if the family is eligible for recertification to relocate to another unit with continuation of assistance. The PHA makes every effort to recover any overpayments made as a result of landlord fraud or abuse.

#### **H. OWNER FAILS TO CORRECT HQS ITEMS**

If the PHA has found it necessary to terminate the HAP Contract due to the owner's failure to respond to notification that a unit no longer meets the minimum Housing Quality Standards and the current Section 8 tenant has found it necessary to move in order to continue receiving assistance, the PHA will not approve the unit for a Contract with a new Housing Choice Voucher holder for a maximum period of one year and upon receiving assurances from the owner that they will fulfill the requirements of the minimum Housing Quality Standards in the future. This assurance may be required in writing. Repeated instances of such failures on the part of a landlord may cause the PHA to remove the landlord's name from owner listings given to tenants.

#### **I. CHANGE IN OWNERSHIP**

The PHA must receive a written request by the original owner in order to make changes regarding who is to receive the PHA's rent payment or the address at which payment is to be sent.

The PHA will process a change of ownership only upon the written request of the new owner and only if accompanied by supporting documents. The PHA will update its files and records to reflect the new information received.

## **XX. TERMINATION OF ASSISTANCE**

Due to a family's action or failure to act, a PHA may terminate assistance to participants by:

- Refusing to enter into a HAP contract;
- Refusing to approve a lease;
- Terminating the HAP contract; or
- Refusing to process or provide assistance under portability procedures.

### **HUD MANDATED TERMINATION OF ASSISTANCE**

According to 24 CFR 982.552(b), HUD regulations require a PHA to terminate assistance to a participant family for these reasons:

#### **1) Eviction**

The PHA must terminate assistance if the family has been evicted from housing assisted under the Section 8 program for serious violation of the lease.

The PHA will terminate assistance if the owner has issued a notice to vacate due to a serious violation of the lease. If the family leaves the unit while an eviction process is taking place, but before a court decision is made, the family's assistance will be terminated, unless the family follows the Steps to Move with assistance.

#### **2) Consent Forms**

The PHA will terminate assistance if any member of the family fails to sign and submit consent forms for obtaining information in accordance with program regulations.

#### **3) Citizenship or Eligible Immigration Status**

The PHA will terminate assistance if a family member does not establish citizenship or eligible immigration status. In such cases, the PHA must terminate based on Noncitizen Rule regulations and applicable informal hearing procedures.

#### **4) Students Enrolled in an Institution of Higher Education**

- The PHA will terminate assistance if any family member fails to meet the eligibility requirements concerning certain individuals enrolled at an institution of higher education.
- If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, and is not residing with his/her parents in an HCV assisted household, the PHA must terminate the student's assistance if, at the time of reexamination, either the student's income or the income of the student's parents (if applicable) exceeds the applicable income limit.
- If the PHA conducts a reexamination and determines that a student is ineligible to continue receiving assistance, that student must be terminated from the program even if the student resides in a household containing eligible students who receive assistance.
- If a participant household consists of both eligible and ineligible students, the eligible students must be issued a voucher to move with continued assistance in accordance with program regulations and PHA policies, or must be given the opportunity to lease in place if the terminated ineligible student member(s) elect to move out of the assisted unit.

#### **5) Social Security Number Documentation**

- The PHA will terminate assistance if a participating family fails to disclose and document the complete and accurate social security number of each household member.
- If the family is otherwise eligible for continued assistance, and the PHA determines that the family's failure to meet the social security number disclosure and documentation requirements was due to circumstances that could not have been foreseen and were outside of the family's control, the PHA may defer the family's termination and provide the opportunity to comply with the requirement within a period not to exceed 90 calendar days from the date the PHA determined the family to be noncompliant.
- If the family still does not meet the requirements by the deadline, the PHA will terminate the family's assistance.

6) The PHA will terminate assistance if the PHA determines that any member of the household has ever been convicted of drug-related criminal activity for the manufacture or production of methamphetamine on the premises of federally assisted housing. This termination is immediate and permanent.

#### 7) Lifetime Registered Sex Offenders

Lifetime registered sex offenders will not be admitted into federally assisted housing. However, should the PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member. The PHA will offer the family an opportunity to remove the sex offender from the household.

#### HUD-AUTHORIZED TERMINATION OF ASSISTANCE

According to 24 CFR 982.552(c), PHAs may terminate assistance for reasons listed below. This PHA WILL terminate assistance for any of the reasons listed below:

- The family violates any family obligation.
- Any member of the family has been evicted from Federally-assisted housing in the last five years.
- Any family member commits fraud, bribery, or another corrupt or criminal act regarding any federal housing program.
- The family currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing programs and has not entered into a repayment agreement and/or is not in compliance with a repayment agreement.
- The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damage to unit, or other amounts owed by family under the lease and the family has not entered into a repayment agreement and/or is not in compliance with the repayment agreement.
- The family breaches an agreement with the PHA to pay amounts owed to the PHA, or amounts paid to an owner by a PHA.
- The family has engaged in or threatened abusive or violent behavior towards PHA personnel.
- The family has been engaged in criminal activity or alcohol abuse, which threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

Income limits are not a consideration for termination of assistance once the family is under lease and contract and already "on the program."

However, an example of a reason for termination of assistance is:

***If a family did not report an interim change they were required to report, the PHA would do a calculation to determine how much they owed in past amount.***

Because the tenant could also be in violation of a family obligation, not supplying information needed for certification or recertification, the matter will be referred to the Program Director.

If a family does not sign the new lease and other lease-up documents, the lease does not become effective until the documents are signed. Assistance will stop at the old unit because the tenant is not living in the unit. Assistance will not start in the new unit prior to the execution of the new lease and contract by the family and Landlord. Failure to complete all required documents in a timely manner may result in termination from the program. Assistance may not be provided retroactively.

Tenants and owners will sign the Notification of Adjustment of Rent. If a HAP Contract termination is necessary, or tenant assistance is terminated by tenant request (in writing) or assistance is denied in accordance with the termination of assistance procedures (notice of informal hearing required), tenants and owners will be notified of termination of assistance.

If the PHA refuses to issue a Housing Choice Voucher, the tenant must be notified in writing and offered an opportunity for an informal hearing (and hold the hearing if requested) prior to the termination of assistance.

If the PHA refuses to issue a new Housing Choice Voucher because the tenant owes the PHA money, the tenant may elect to continue in the same unit under assistance. If there has been no notice given to the owner by the tenant or if the owner is willing to rescind the notice, the tenant may continue to be assisted at the old unit.

In any case where the PHA decides to terminate assistance to the family, the PHA must give both the family and the owner a 30 day written termination notice which states:

- 1) The reasons for the termination;**
- 2) The effective date of the termination;**
- 3) The household's right to request an informal hearing; and**
- 4) The household's responsibility to pay the full rent to the owner.**

#### **B. ZERO ASSISTANCE TENANTS**

As stated above, \$0 assistance tenants may remain on the program for 6 months from the effective date they went to \$0 assistance.

If the family's Total Tenant Payment is sufficient to pay the full gross rent and 6 months has elapsed since the PHA's last HAP payment was made, the family's assistance is terminated.

There are no expiration dates on leases. There is no new lease and contract at recertification time unless the owner offers the tenant a new lease.

However, if the owner wants a rent increase during this 6 month period and the rent increase would cause the PHA to resume HAP payments, or if at recertification time, the tenant had a loss of income and there would be a HAP payment, the payments will be resumed.

If payments are resumed, there will be an interim adjustment and a notification of adjustment in rent will be sent out, listing the new amounts.

When the six-month period has been reached, the owner will be notified of the termination of the HAP Contract, in accordance with his HAP Contract. The termination of assistance payments is after the six-month period has been reached, not the recertification date.

The tenant will be notified of their rights to remain on the program at \$0 assistance for six months.

Also, if the tenant wants to move to another unit during this period, the PHA will not execute a new HAP Contract for the new unit at \$0 assistance. If there would be assistance, the PHA can execute a new HAP Contract.

**(THE FOLLOWING INFORMATION SPECIFIC TO OWNER CLAIMS FOR DAMAGES, UNPAID RENT AND/OR VACANCY LOSS ONLY APPLY TO UNITS LEASED PRIOR TO SEPTEMBER 1996)**

#### **XXI. MOVE-OUT/DAMAGE INSPECTIONS**

The owner must request an inspection in order to submit a damage claim.

The PHA will attempt to have both the tenant and the owner, to attend the move-out inspection. Both will be notified as to when the inspection will take place.

The PHA will conduct a move-out/damage inspection to substantiate the Damage Claim.

## **XXII. OWNER CLAIMS**

As part of the HAP Contract, owners can make “special claims” for damages, unpaid rent, and vacancy loss (vacancy loss cannot be claimed in the Voucher Program) after the tenant has vacated the unit. All Claims must be submitted within 60 days of the move out/damage inspection, with proper documentation per A, B, C and D below.

Owner claims for payment for unpaid rent, damages or vacancy loss under the Section 8 Existing Program are reviewed for accuracy and completeness and compared with internal records on the unit such as initial inspection report and move-out/damage inspection.

The PHA checks tenant files to ascertain if the family gave proper notice of its intent to move.

Although the PHA will make payments on behalf of the tenant, the tenant is ultimately responsible for any damages, unpaid rent, or vacancy loss paid by the PHA to the owner.

### **A. UNPAID RENT**

To claim unpaid rent, the landlord must have informed the PHA that the tenant has not paid their portion of rent in the month that payment has been omitted and taken action provided under the Contract and Lease to remedy the situation. Unpaid rent claims for the months prior to the month in which move-out occurs will not be approved unless this notification has been received and is part of the file records.

### **B. DAMAGES**

The actual bills for repairs and materials and labor must support all claims for damages. Bills from individuals providing labor must include their name, address and phone number. The owner may bill for labor to make repairs in an amount determined reasonable by the PHA.

### **C. VACANCY LOSS**

- 1) The owner must notify the PHA of the vacancy or prospective vacancy as soon as he/she has learned of it.
- 2) The owner must continue to take all feasible actions to fill the vacancy, including but not limited to:
  - a. Contacting applicants on his/her waiting list, if any;
  - b. Requesting the PHA and other appropriate sources to refer all eligible applicants;
  - c. Advertising the availability of the unit; and
  - d. Not rejecting any eligible applicant except for good cause.
- 3) The owner will not be entitled to vacancy loss payments if the owner is entitled to payments from other sources for the vacancy period.

*Vacancy Loss is applicable to Certificate Program only.*

#### **D. PROCESSING CLAIMS**

When the PHA receives a claim for unpaid rent, damages, or vacancy loss, it will be reviewed.

Any amount owed by the tenant to the owner for unpaid rent or damages will first be deducted from the security deposit (including any interest accrued under State or local law), which an owner could have collected under the program rules. The balance will be calculated using HUD methodology.

Proof or verification that the owner has attempted to collect any monies owed directly from the tenant must be submitted with the loss claim. Landlords are to mail said request for payment by Certified Mail – Return Receipt Requested to tenant’s last known address.

Costs of filing eviction and forcible detainer to remove tenant from premises when they have violated their lease shall not be considered “damage” to said unit and should not be included in the listing of said damages for reimbursement.

If the Security Deposit is insufficient to reimburse the owner for the unpaid tenant rent or other amounts, which the family owes under the lease, the owner may request reimbursement from the PHA up to the limits for each program.

Once the payment is made to the owner, the PHA will inform the family of the payment and of the family’s responsibility to reimburse the PHA for payment made on their behalf. The notice will state the amount and type of claim.

The participant will be informed of the possible effect on transfer rights and future program participation if payment is not made within the time specified by the PHA.

The PHA will require total payment and will not enter into a Repayment Agreement with the participant for repayment of the amount owed, except when a family has a proven payment record and demonstrated responsibility to fulfill such an obligation.

Nonpayment of monies owed to the PHA may result in termination from the Section 8 Program and possibility of participating in the Section 8 subsidy program in the future.

When a HAP Contract is terminated and the family does not continue in the program, the PHA will promptly issue a Housing Choice Voucher to the family next in line on the waiting list. The PHA will also make prompt referrals of Certificates or Voucher holders to units still under contract, which have become vacant, so as to reduce vacancy loss claims.

## **XXIII. COMPLAINTS AND APPEALS**

The PHA will respond promptly to complaints by families or owners and investigate. Each complaint regarding physical condition of the units may be reported by phone to PHA staff. Anonymous complaints are checked whenever possible.

### **A. APPEALS BY APPLICANTS**

Appeals by applicants concerning the PHA determination denying assistance (including denying listing on the waiting list and participation in the program for issuance of a Housing Choice Voucher) are handled by Informal Review as outlined in 24 CFR 982.554).

Request for a Review must be made within ten days of the date of the written notification of denial of assistance.

The Informal Review shall be conducted by the Executive Director or a staff person appointed by the E.D., who is neither the person who made or approved of the decision under review, or a subordinate of such person.

The applicant will be given the option of presenting oral or written objections to the decision in question. A notice of the Review Findings shall be provided in writing to the applicant and shall include a brief explanation of the reasons for the final decision.

### **B. APPEALS BY PARTICIPANTS**

Appeals by participants of the PHA's Section 8 Existing Housing Program shall be handled as outlined in 24 CFR 982.555 by Informal Hearings.

All requests for Informal Hearings must be made in writing within ten days from the date of the notification letter. The Executive Director, or his/her designee, the Program Director, and one other staff or Board member will hear appeals by participants. All appeals will be heard within 30 days from the date the request was received.

The PHA shall promptly send a letter to the participant advising them of the decision by the Appeal Board.

Both applicants and participants will be encouraged to seek informal mediation and/or explanation of any decision they may disagree with by first contacting the Housing Services Director before filing a request for a hearing or appeal.

#### **XXIV. APPOINTMENTS MISSED BY PARTICIPANTS**

A participant who fails to keep an appointment without notification to the PHA may be sent a notice of termination of assistance for failure to supply such certification, release, information or documentation as the PHA or HUD determines to be necessary (or failure to allow the PHA to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

- 1) Providing Verification Information**
- 2) Required Signatures**
- 3) Briefings**
- 4) Housing Quality Standards Inspection**
- 5) Recertification**
- 6) Interim Adjustment**

The participant will be given an opportunity for an informal hearing. If the tenant appeals the termination within the given time frame, a second appointment will be scheduled, in lieu of this hearing. The tenant should be warned that if she/he misses the second appointment, the notice of termination of assistance will be executed again.

No more than two appointments will be granted.

If the missed appointment was for a participant, the termination will be effective upon the first of the second month following the missed appointment (30+ days notice).

## **XXV. REPAYMENT AGREEMENTS**

Repayment Agreements may be executed with families who owe the PHA money. The family may be required to sign a Repayment Agreement as a condition of continued assistance. If the PHA has entered into a Repayment Agreement and the family is paying as required by the Repayment Agreement, the PHA will not terminate the family.

If the tenant enters into a Repayment Agreement and does not pay, the termination of assistance procedures identified in this document go into effect.

If the family starts paying on their Repayment Agreement and then stops paying on their Repayment Agreement, the family will be under the termination of assistance procedures above.

The PHA will deny the family issuance of a new Housing Choice Voucher to move to another dwelling unit if the family has an outstanding debt to any PHA.

If the family has signed a Repayment Agreement to pay money owed to the PHA and they breach the agreement, the PHA may terminate assistance to the family for the breach of the agreement.

The PHA will notify the family of the amount of its liability and inform them that the PHA will not issue a new Voucher and the family will not continue to remain eligible currently unless the family repays the amount owed to the PHA.

If a family refuses to sign a Repayment Agreement for changes they were required to report and did not, in effect, repayment was required and the tenant refused. In this case, the PHA would terminate assistance for fraud, and the amount will be verified.

The tenant would be given an opportunity for informal hearing prior to the termination of assistance, as required.

If the tenant refuses to enter into a Repayment Agreement because of a claim paid for unpaid rent, damages, or vacancy loss when applicable, the PHA may terminate assistance to the family..

Families who are in default of an executed Repayment Agreement by missing two payments may be terminated from the program for Failure to Act.

## XXVI. MONITORING PROGRAM PERFORMANCE

Monthly statistical reports are maintained and monitored for reviewing the waiting list, the outstanding Housing Choice Vouchers, and the HAP Register to assure achievement of the outreach goal and the leasing schedule.

Changes in approach are initiated on an as-needed basis, subject to program regulations and funding limitations.

The PHA is required by the Code of Federal Regulations (CFR 24, Part 985) to conduct quality control reviews of Section 8 Housing Choice Voucher Program activities throughout its fiscal year. The results of the quality control sampling are reported to HUD through submission of the Section 8 Management Assessment Program (SEMAP) certification.

The purpose of conducting quality control reviews is to insure that staff with responsibility for conducting program activities adheres to the prescribed federal regulations governing the program and locally adopted policies of the housing authority. The reviews will serve as an internal audit of housing authority operations. Performance of staff and overall housing authority operations will be measured and used as a management tool for improving performance. By reviewing a cross section of employee work, consistency within the housing authority will be achieved.

The person(s) selected to perform the QC reviews will have appropriate qualifications to independently review the file/inspect the property and to make determinations of compliance monthly. The QC reviewer may not review work of his or her own. The results of the review may be provided to the Executive Director for management purposes.

Since the exact universe sizes for each of the indicators will not be known until after the fiscal year is completed, estimates of the minimum sample sizes required will be based on the maximum number of vouchers SEK-CAP is authorized to issue, or funded to assist, in order to insure that at least the minimum sample size will be drawn to meet the final universe size. More samples than required may be drawn to insure the minimum sample size is met.

Selection of the files to be sampled will be accomplished as follows: the sample size will be divided into the universe size to determine the position of the file selected. For example, if the universe of assisted families is 407 and the minimum sample size is 13, every thirty-first file identified will be selected for quality control sample ( $407 \div 13 = 31$ ). This methodology will be used to select the samples for most of the required indicators. If, due to software constraints, or any other reason(s), the sample file selected does not meet the correct criteria, this will be noted. This file will be skipped and the next one chosen. The universe size will be monitored periodically to insure at least the minimum number of required samples are reviewed. Universe size may be adjusted accordingly in compliance with HUD regulations.

For HQS QC samples, one of two different methodologies may be used. These may be chosen by using the number of the month, i. e. two for February, three for March, etc. For January, every thirteenth will be chosen. Units selected will be from inspections done the previous month and scheduled for a QC inspection following the current calendar month. For example, in June, inspections done in May will be chosen by counting every fifth inspection (May being the fifth month) done in that month. This would be the fifth, ten, etc. inspections. These will then be scheduled for inspection the next month, July. These samples will include both initial and biennial inspections.

Effective with the 2007 Program Year, the Lindsey Housing Manager HQS Inspection Quality Control software program will be used, when possible, to select HQS QC inspections on a monthly basis. These are randomly generated by the computer system. If it is not feasible to utilize this program due to technical problems, the initial method will be used.

Additionally, a file or inspection may be selected during the year for quality control review if complaints are received in the office. All files for new admissions to the program will be reviewed informally for being complete and having all required documents, signatures, etc.

### **Selection from the Waiting List**

SEK-CAP will examine new admissions monthly. Universe size will vary monthly, based on changes. Minimum sample size will also vary accordingly. Since samples must be drawn equally between waiting list selections and waiting list admissions, an equal number of files for each category will be selected. The Waiting List in effect for each month will be used to make the file selections for the Waiting List Selections. The Move-In Report will be used for choosing Waiting List Admissions samples. Appropriate numbers based on the stated methodology will be selected for review. If there are no new move ins in a prior month, the Move-In Report will be generated from the beginning of the current program year until year-to-date and it will then be used to draw these samples for review.

### **Reasonable Rent**

SEK-CAP can assist a maximum of 407 families monthly. Universe size is 407. Minimum sample size required is 13. The Family Listing Report each month will be used to make file selections. Every 31<sup>st</sup> applicant listed ( $407 \div 13 = 31$ ) will be selected for review.

### **Adjusted Income**

SEK-CAP can assist a maximum of 407 families monthly. Universe size is 407. Minimum sample size required is 13. The Family Listing Report each month will be used to make file selections. Every 31<sup>st</sup> applicant listed ( $407 \div 13 = 31$ ) will be selected for review. This is the same as process as used for Reasonable Rent selections. If some variation in sample files selected exists, reasons for this will be noted.

### **HQS**

SEK-CAP has the capacity to assist 407 families. This was the universe used in order to insure enough samples were examined for HQS compliance. Minimum sample size required is 13. More than this will actually be re-inspected for HQS QC purposes using the selection method described above.

### **HQS Enforcement**

SEK-CAP estimates no more than 407 failed inspections for a family already on the HUD Program and in the home where they are being assisted currently as all these criteria would have to be met to obtain a valid sample for this indicator. Therefore, the universe for this indicator, as for all others, will be set, initially, at 407.

Again, this may be adjusted in compliance with HUD regulations, based on periodic review, to insure the minimum required universe is sampled. As full funding to enable the PHA to assist 407 families may not always be received, fewer sample files for review may be needed than the previously stated 13, based on 407 families receiving assistance.

The method for selecting the quality control samples must leave a clear audit train that can be used to verify that the sample was drawn in an unbiased manner. Based on the methodology identified above for

selecting samples, it is unlikely that the same file will be reviewed for each of the five SEK-CAP Indicators, however, it is possible to have the same file reviewed for the Reasonable Rent and Adjusted Income Indicators because their universe size may be based on the same figure. Samples should represent a cross-section of employees and a cross-section of the properties leased under the program. Documentation must be maintained that supports the identified universe size and that the methodology was followed when selecting the samples.

Documentation will be maintained which identifies the basis for the universe size and evidence to support that the sampling followed the above stated methodology

QC Reviewers will document their activities by completion of the attached Quality Control Logs for each of the required SEMAP Indicators (Waiting List Selections and Admissions, Reasonable Rent, Adjusted Income, HQS Inspections and HQS Enforcement). The QC Reviewer will further document their review of inspections through the Inspection Form, HUD form 52580 or HUD form 52580-A, for each sample selected. A copy will be maintained in the tenant file.

Where the QC Reviewer detects an error, timely corrective actions will be undertaken. Each error will be discussed with the employee upon completion of the quality control review. Where necessary, the landlord and tenant will be properly notified in writing of the error and the corrective actions to be taken. Families will not be held liable for an error made by the housing authority. In the event that one or more staff is making multiple errors, training will be provided. Increased sampling of files, as necessary, will be conducted until quality of work supports compliance. As appropriate, the results of the quality control review will be used when evaluating employee performance for the year.

The Housing Director will summarize the results of the quality control sampling conducted during the fiscal year for each of the five indicators and submit the information to HUD through completion of the Section 8 Management Assessment Program (SEMAP) Certification.

## **XXVII. ADMINISTRATIVE PLAN APPLICABILITY**

This same Administrative Plan applies to special purpose vouchers, such as “Mainstream” Vouchers for those with disabilities. HUD definitions of terms will be utilized. All policies and procedures will be followed in the same manner for all voucher program applicants.

This same plan also applies to the Kansas Housing Resources Corporation (KHRC) Tenant Based Rental Assistance Program (TBRA). The exceptions for the TBRA program would be that in order to be eligible for this program, an applicant family is required to be certified as “homeless” by another social service entity able to make such determination. To attempt to prevent families from becoming homeless, this funding may also be utilized in situations where applicants are about to become homeless through no fault of their own. Proof of this fact and certification of this “imminent homeless” situation from another social service entity will be required. Other eligibility factors/criteria remain the same as for the HUD Section 8 program.

Another exception is that TBRA Coupons are not “portable”, as are HUD Vouchers under specified circumstances. Based on KHRC regulations, SEK-CAP employees are not eligible for the TBRA Program. Also, after TBRA funds are exhausted for a given year, the TBRA Waiting List will be concluded by notifying those still on the list that we will not be able to assist, that they have been dropped from the waiting list and it no longer exists. They will have to re-apply when the waiting list is re-opened the next year and funds are available.

TBRA funding may also be utilized for rental security deposit payments and utility deposit payments for families eligible for the HUD and/or TBRA Programs, based on funding availability. To be eligible for this assistance, families must meet all program eligibility criteria in the HUD and TBRA regulations, including stated income guidelines, as well as criteria contained in this document. However, being “homeless” or “imminently homeless” is not required for deposit eligibility.

Security deposits will be treated as a grant to families receiving this assistance. As such, deposits should be refunded to the tenant families by the landlord when the tenant vacates the rental unit once all lease obligations have been met. The refund of deposits must be in compliance with the Kansas Residential Landlord and Tenant Act. Deposit assistance is limited to one-time only per family.

Based on requirements from KHRC, all families who become tenants in the SEK-CAP Cherokee Duplexes located in Cherokee, KS will be immediately placed on the appropriate HUD Voucher Program Waiting List(s).

Appropriate substitutions in terms include, but are not limited to, the following:

KHRC for HUD

Coupon (KHRC) for Voucher (HUD)

This plan, or portions thereof, may also be utilized where appropriate for other SEK-CAP, Inc. Housing Services Programs such as Community Housing Development Organization (CHDO) rental housing, HUD Section 202 Project and other programs. Various sections, such as Eligibility for Admission, Applying for Admission, Maintaining the Waiting List, Occupancy Standards and others when/where applicable will also be applied to these other programs. Occupancy Standards for SEK-CAP CHDO properties are revised to allow a one or two-person family to rent a three-bedroom home. All other Occupancy Standards apply.

Another exception to the general policies regarding acceptance of applications and placement on waiting list(s) is applicable to SEK-CAP owned rental property, the Emergency Repair Program and Kansas Accessibility Modification Programs only. Applications for these rental units and/or assistance programs will be placed on the waiting list(s) when a completed application is received in the SEK-CAP Central Office. The date and time received in the Central Office will be used instead of the date and time the application was initially begun.