

# **Housing And Community Services Agency (HACSA) of Lane County**



## **5 Year Plan for Fiscal Years 2015-2019 Annual Plan for Fiscal Year 2017**

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## EXECUTIVE SUMMARY

May 12, 2016

The Agency is required by Section 511 of the Quality Housing and Work Responsibility Act of 1998 (and ensuing HUD requirements) to submit a 5-Year and Annual Plan to HUD. This year the Agency is only required to submit an Annual Plan covering FY 2017.

As in previous years, the focus of the Plan is to identify the programs and services provided under the Public Housing (PH) and Section 8 Tenant Based Assistance Programs and to allow public access and comment on those programs and services. The Work Responsibility Act requires that housing authorities work with their Public Housing Resident Advisory Boards (RAB) on the planning and development of the Plan. In order to meet this requirement, the Agency began meeting with the RAB at the beginning of the year.

This booklet contains the following components which are all part of the required submission to HUD.

Section 1	PHA Annual Plan Update HUD form 50075
Section 2	Certification Forms

Supporting Documentation has been updated as needed and the updates have been summarized in section B.1-B.8 of HUD 50075-ST. The Supporting Documentation, along with this booklet, are available for inspection at both the Day Island and Fairview administration offices, through the RAB, and by contacting the resident commissioners who each have a notebook containing all supporting documents. Supporting Documents include, among other things, the Section 8 Administrative Policy, the Public Housing Statement of Policies (SOP), flat rent methodology and schedule, Public Housing Operating budget, Public Housing Maintenance Plan, and the Agency Audit.

### **Public Notice –**

The publication of this booklet begins the 45 day comment period required by the regulations. At the end of this comment period, the Agency will hold a public hearing to address final questions and comments on the Plan. Following the public hearing, the Agency will submit the Plan to the HACSA Board of Commissioners for approval followed by electronic submission to HUD no later than July 17, 2016.

<b>Annual PHA Plan</b> <i>(Standard PHAs and Troubled PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 02/29/2016
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**Purpose** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low-income, very low-income, and extremely low-income families.

**Applicability.** Form HUD-50075-ST is to be completed annually by **STANDARD PHAs** or **TROUBLED PHAs**. PHAs that meet the definition of a High Performer PHA, Small PHA, HCV-Only PHA or Qualified PHA do not need to submit this form.

**Definitions.**

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both of the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, or at risk of being designated as troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceeds 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceeds 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined, and is not PHAS or SEMAP troubled.

A. PHA Information.					
A.1	PHA Name: HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY HACSA PHA Code: __OR006__ PHA Type: <input checked="" type="checkbox"/> Standard PHA <input type="checkbox"/> Troubled PHA PHA Plan for Fiscal Year Beginning: (MM/YYYY): __10/01/2016__ PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Public Housing (PH) Units __707__ Number of Housing Choice Vouchers (HCVs) __3028__ Total Combined Units/Vouchers __3735__ PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission  <b>Availability of Information.</b> PHAs must have the elements listed below in sections B and C readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans. The PHA Plan is available for review at all AMP locations, as well as lobbies of HACSA's administrative buildings. The PHA Plan can also be accessed online following this link <a href="http://hacsa.org/sites/default/files/fileattachments/pha_plan_final_with_acop_and_s8admin.pdf">http://hacsa.org/sites/default/files/fileattachments/pha_plan_final_with_acop_and_s8admin.pdf</a> <input type="checkbox"/> PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)				
	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program
					PHI      HCV
	Lead PHA: N/A				

<b>B.</b>	<b>Annual Plan Elements</b>
<b>B.1</b>	<p><b>Revision of PHA Plan Elements.</b></p> <p>(a) Have the following PHA Plan elements been revised by the PHA?</p> <p>Y   N</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Grievance Procedures.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Homeownership Programs.</p> <p><input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Community Service and Self-Sufficiency Programs.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Safety and Crime Prevention.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Pet Policy.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Asset Management.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Substantial Deviation.</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> Significant Amendment/Modification</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each revised element(s):</p> <p><b><u>Statement of Housing Needs and Strategy for Addressing Housing Needs</u></b></p> <p style="text-align: center;">Housing And Community Services Agency of Lane County  <b>Statement of Housing Needs and Strategy for Addressing Housing Needs</b></p> <p>The assessment of the impediments to fair housing and fair housing plan strategies, submitted by HACSA with its Annual PHA Plan for the Fiscal Year beginning October 1, 2015, was developed with input from the City of Eugene and the City of Springfield Consolidated plan 2015.</p> <p>While some of the identified impediments are not directly related to the federal Fair Housing Act, as a Public Housing Authority that sponsors the Fair Housing Council of Oregon, HACSA continues to believe that the lack of availability of affordable, accessible housing is a problem in our community and therefore, had maintained its efforts to promote affordable, accessible housing in addition to our efforts to overcome the more specific impediments which are directly related to the federal Fair Housing Act.</p> <p>Our strategies to increase the availability of affordable, accessible housing include aggressively pursuing additions to the housing supply through the use of government subsidies and incentives. During 2015 HACSA began construction on a multi-family housing complex in North Eugene. The complex, named Bascom Village, is a 101 unit complex which was developed in two phases. Phase I, developed by St. Vincent de Paul, has 51 units and was ready for occupancy in October, 2015. Phase II, developed by HACSA, has 48 units and is expected to be ready for occupancy in November, 2016. Also during 2015, HACSA was awarded a 9% low income housing tax credit for a project called The Oaks at 14<sup>th</sup>. This project, constructed in partnership with Sponsor's Inc., will house 54 ex-offenders in West Eugene and will begin construction in May 2016 with occupancy projected for May, 2017. At the present time there are at least two other projects in HACSA's development pipeline.</p> <p style="text-align: center;"><b>Affirmatively Furthering Fair Housing</b></p> <p>The Housing And Community Services Agency of Lane County (HACSA) has made a strong commitment to promoting Fair Housing rights and Fair Housing choice by providing information regarding Fair Housing and Fair Housing choice to applicants, residents and staff. Following is a list of actions that HACSA has taken:</p> <ul style="list-style-type: none"> <li>• The Fair Housing logo "Equal Housing Opportunity" is prominently displayed on location signs at HACSA's two administrative offices and at its various housing complexes</li> <li>• The Fair housing logo is prominently displayed on signs/banners at various HACSA locations, announcing the availability of low-income rental units</li> <li>• The Fair Housing logo is on HACSA letterhead and business cards</li> <li>• HACSA's Policy of Nondiscrimination on the Basis of Disability/Handicap Status is prominently displayed in the lobbies of HACSA's two administrative offices and in public areas at its various housing complexes</li> <li>• HACSA's Policy of Nondiscrimination on the Basis of Disability/Handicap Status is prominently displayed on HACSA's website: <a href="http://www.hacsa.org">www.hacsa.org</a></li> <li>• Don Bucholtz, HACSA's Public Housing Intake Coordinator, is listed on HACSA's Policy of Nondiscrimination on the Basis of Disability/Handicap Status, and in HACSA's Statement of Policy, as HACSA's 504/ADA Coordinator.</li> </ul>

- HUD Form 928.1 (“We Do Business in Accordance With the Federal Fair Housing Law” poster) is prominently displayed in English and Spanish in HACSA’s two administrative offices and in public areas at the various housing complexes
- HUD Form 1686-FHEO (\*Fair Housing – It’s Your Right\*. Pamphlet) is available in English and Spanish in HACSA’s two administrative offices
- \*Filing a Housing ‘Discrimination Complaint\* - a pamphlet created by Consumer Action with funding from the U.S Department of Housing and Urban Development (HUD) is available in English and Spanish at HACSA’s two administrative offices
- Applicants or residents with questions about Fair Housing issues are referred, or directed via website link, to the Fair Housing Council of Oregon, Legal Aid Services of Oregon (LSAO) or Lane County Law & Advocacy Center (LCLAC), the Oregon Advocacy Center (OAC), the Lane Independent Living Alliance (LILA), the Oregon Bureau of Labor and Industries (BOLI), and/or to the US Department of Housing & Urban Development (HUDF) / Office of Fair Housing and Equal Opportunity (FHEO)
- HACSA has a long-standing Policy on Reasonable Accommodation, which is recognized in the Pacific Northwest among public Housing Authorities and by the regional HUD office as being comprehensive , well-written, and well-implemented
- HACSA’s Policy on Reasonable Accommodation is prominently displayed in HACSA’s two administrative offices and in public areas of its various housing complexes. It is available to any applicant or resident and is included ad Appendix D in HACSA’s Statement of Policies. It is also posted on HACSA’s website at [www.hacsa.org](http://www.hacsa.org)
- Applicants for, and recipients of, housing assistance from HACSA are advised of their right to request a reasonable accommodation to their disability. Information regarding reasonable accommodations is provided on the pre-application for assistance, in initial determination of ineligibility, in the public housing and assisted housing lease agreements, in notices of eviction, in periodic resident newsletters, and discussed during the intake process during any informal settlement discussions and during other discussions with applicants and/or residents when inquiries are made about accommodating disabilities.
- Under the terms of a voluntary compliance agreement between the us department of HUD/FHEO and HACSA, HACSA’s pre application for housing assistance requests information from applicants – which is not used in determining their eligibility for housing regarding their ethnicity, race, and disability status. This information is recorded and retained and available to HUD upon request
- HACSA created the diversity committee in April 2000. That committee was renamed the Inclusion Council in 2012. As a function of that committee, HACSA has completed outreach presentations to agencies representing youth, seniors/elderly, persons with physical and/or mental disabilities, and minorities, to help assure that a broad base of the community has access to information about the availability of housing. This outreach effort continues on an ongoing basis and representatives from a number of those social service/advocacy agencies serve on HACSA’s family self-sufficiency advisory board, the inclusion council has also done outreach at the Festival Latina, the Asian celebration, project homeless connect, and other community gatherings
- HACSA maintains reception staff – as well as other staff in all departments that have ongoing contact with residents who are bilingual/bicultural in Spanish and English
- HACSA has also worked to increase the ability of low income community members to access housing by developing an innovative program in cooperation with community lending-works, the lending arm of NEDCO (neighborhood economic development corporation), to assist applicants to its agency-owned housing programs, in obtaining loans to cover the cost of their security deposits, as they lease up with HACSA. HACSA indemnifies the loans, guaranteeing payment to NEDCO, should the applicant default.

#### **Impediments to Fair Housing**

**Impediment: There is a limited awareness of fair housing policies in the broader community**

##### Strategies/Outputs:

- Rent Assistance Division Director Beth Ochs has joined the board of the Eugene/Springfield Rental Owners Association (ROA). In that role, Beth makes regular presentations to the ROA on topics related to Fair Housing.
- Ms. Ochs presented to an audience of over 100 at the Eugene Fair Housing Conference during 2015.
- Executive Director Jacob Fox is on the Poverty and Homelessness Board, and chairs their facilities committee; in that position Jacob strives to further the goals of Fair Housing.
- Mr. Fox recently participated on a panel with Terry McDonald of St Vincent de Paul, presenting to the Eugene City Club on the topic of low income housing.
- HACSA continues to support Blacks in Government at their annual celebration and educational event.
- HACSA mandated a 4 hour all-staff training in Fair Housing laws.
- Updated Fair Housing information was added during a recent revision of the Section 8 program briefing packets.
- Section 8 Division leadership participates annually in the University of Oregon Internship Fair. This is an opportunity to inform students

about HACSA's work in the community to promote Fair Housing.

- HACSA coordinated a community action committee in conjunction with its development of The Oaks at 14<sup>th</sup>, a 55 unit complex currently being developed as a LIHTC. This complex will serve ex-offenders who will receive on-site case management thru Sponsors.
- HACSA has produced updated maps showing concentrations of poverty in Lane County
- HACSA has a presence on the Human Rights Commission and the United Way Equity Coalition.

**Impediment: There are cultural differences and language barriers which inhibit access to fair housing**

Strategies/Outputs:

- HACSA continues to support the work of the Inclusion Council (IC), an internal committee charged with scheduling training sessions for employees that focus on cultural differences. All employees are required to attend two per year. For the coming year, the IC has a goal to provide one training session per month.
- During 2015 the IC coordinated 4 trainings with an average attendance of 21 employees. During the first four months of 2016, the IC coordinated 3 trainings with an average attendance of 20 employees.
- HACSA conducts targeted recruitments for bilingual employees. At the present time there are 7 bilingual employees (English/Spanish). HACSA also has staff members proficient in German, Polish, Hindi and French.
- HACSA is currently working on adding a program called Language-Line. This product will facilitate translations for non-English speakers trying to work with HACSA when their language is not one spoken by HACSA bi-lingual staff.
- HACSA was a participant in the Centro Latino Americano Health Fair
- HACSA, along with staff from Centro Latino Americano, administered a Meyer Memorial Grant aimed at creating educational materials about fair housing and access to low income housing for Spanish speaking community members. Staff contacted 365 individuals by phone or mail and described two significant changes to Oregon laws affecting Section 8 renters. The first made it illegal for a landlord to reject an applicant because the applicant holds a Section 8 voucher. The second change created a fund to reimburse landlords for tenant damage upon move-out up to \$5000. This means that move-in deposits can be lower without landlords risking huge out of pocket expenses to return a rental unit to good condition.

**Impediment: People with disabilities who have special housing needs have limited choices and are often constrained by their lower incomes**

Strategies/Outputs:

- Quarterly meetings at VA to expedite referrals for homeless vets
- VASH vouchers in use at 12/31/2015 = 168; compared to 143 as of 12/31/2014
- HACSA is administering an Emergency Housing Assistance (EHA) grant which assists VASH voucher holders with miscellaneous costs related to lease-up. During the last grant-year, the total amount expended was \$30,209.
- Quarterly meetings with Shelter Plus Case service providers to expedite referrals for S+C Program
- Shelter Plus Care program participants at 12/31/2015 = 71; compared to 92 as of 12/31/2014
- HACSA Shelter Plus Care program staff has recalculated rent-reasonableness, making it easier for participants to find affordable units in good neighborhoods.
- HACSA has 40 ADA units in public housing
- HACSA has 42 ADA units in LIHTC properties
- Reasonable accommodations requested by Public Housing residents in calendar 2015 equaled 112. 99 of these were approved.
- Reasonable accommodations requested by Section 8 voucher-holders in the fiscal year ended 9-30-2015 equaled 94. 44 of these were approved.
- National Alliance on Mental Illness (NAMI) provides resident services at New Winds, an 18-unit LIHTC project in Florence, Oregon
- HACSA, in partnership with Lane County, is working to expand the Housing First movement for people with disabilities or other barriers to housing.

**Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.**

**Housing and Community Services Agency of Lane County  
Deconcentration Policy [24 CRF 903.2]**

Housing and Community Services Agency of Lane County (HACSA) will provide for deconcentration of poverty and encourage income mixing by bringing higher income families into lower income developments and lower income families into higher income developments.

To implement the statutory requirement to deconcentrate poverty and provide for income mixing in its covered developments, the PHA must comply with the following steps for covered developments:

1. On annual basis, HACSA will determine the average income of all families residing in all of the PHA's covered developments. In determining the average income for each development, HACSA will not adjust for unit size.
2. HACSA will then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from 85% to 115% of the average family income determined in step 1.
3. If developments having average incomes outside the EIR are identified, HASCA will determine if these developments are consistent with its local goals and annual plan.

HACSA's Section 8 Administrative Plan and Public Housing Admissions and Continued Occupancy Policies (ACOP) are submitted to HUD as part of the PHA Annual Plan process. Admission policies designed to promote deconcentration of poverty and income mixing can be found in the following sections:

<b>Program</b>	<b>Policy</b>	<b>Document</b>	<b>Location</b>
Public Housing	Eligibility	ACOP	Chapter 3,4
	Selection and Admissions	ACOP	Chapter 4, pt. III
	Deconcentration	ACOP	Chapter 12 pt. IV
	Deconcentration Analysis	PHA Plan	Element 1
	Tenant Statistical Data	PHA Plan	Element 1
Housing Choice Voucher	Waiting List Procedures	ACOP	Chapter 4, pt. I & II
	Eligibility	Section 8 Admin Plan	Chapter 3
	Applications	Section 8 Admin Plan	Chapter 4
	Waiting List	Section 8 Admin Plan	Chapter 4
	Briefings and Voucher Issuance	Section 8 Admin Plan	Chapter 5
Owners	Section 8 Admin Plan	Chapter 13	

HACSA updated its Analysis of Poverty Concentrations statement and statistical data.

Changes to other policies that govern eligibility, selection, and admissions include:

**Public Housing Program**

HACSA is adopting the Nan McKay Admissions and Continued Occupancy (ACOP) template and implementing the best practices recommend by Nan McKay.

See Attachment A: Key Modifications to HACSA's Admissions and Continued Occupancy Policies ( ACOP)

**Housing Choice Voucher Program**

HACSA is adopting the Nan McKay Administrative Plan template and implementing the best practices recommend by Nan McKay.

See Attachment B: Key Modifications to HACSA's Section 8 Administrative Plan.

**Rent Determination.**

No changes

**Financial Resources****HACSA BUDGET – SUMMARY OF RESOURCES - FY 16**

DIVISION/ PROGRAM	BEGINNING					TOTAL
	FUND BALANCE	FEDERAL REVENUE	RENT	INTEREST	OTHER	
<b>CSA:</b>						
Weatherization	0	1,288,452			591,875	1,880,327
Development	169,900				1,017,700	1,187,600
FSH	(2,900)		12,000			12,000
Heeran Center	420,653		180,500	100		601,253
Signpost House	226,886		95,200		400	95,600
Shelter + Care	(33,000)	440,000				440,000
ROSS	0	100,508				100,508
FSS	0	205,273				205,273
HACSA Corporate	857,842				32,605	890,447
	<u>1,639,381</u>	<u>2,034,233</u>	<u>287,700</u>	<u>100</u>	<u>1,642,580</u>	<u>5,413,008</u>
<b>HOUSING:</b>						
Conventional	1,379,537	1,747,500	1,802,900		1,322,106	4,872,506
Abbie Lane	270,440	170,700	38,800	200	5,700	215,400
Fourteen Pines	(133,803)	255,200	145,300	100	13,900	414,500
Village Oaks	(80,657)	77,300	267,000		13,500	357,800
Firwood	1,294		520,400	0	10,000	531,694
Capital Fund	0	1,224,430				1,224,430
Norsemen Village	(190,860)	170,000	106,300	100	5,200	281,600
Camas Place	49,990	90,000	127,500		6,600	224,100
Richardson Bridge	184,070		200,300		2,800	203,100
Jacob's Lane	204,895		317,000		1,300	318,300
Laurel Gardens	97,139		166,600	100	2,600	169,300
Walnut Park	23,863		183,100			183,100
The Orchards	916		167,500	0	1,800	169,300
	<u>1,806,824</u>	<u>3,735,130</u>	<u>4,042,700</u>	<u>500</u>	<u>1,385,506</u>	<u>9,165,130</u>
<b>SECTION 8:</b>						
Vouch & MR	639,072	15,959,800				15,959,800
	<u>639,072</u>	<u>15,959,800</u>		<u>0</u>	<u>0</u>	<u>15,959,800</u>
<b>TOTALS</b>	<b>4,085,277</b>	<b>21,729,163</b>	<b>4,330,400</b>	<b>600</b>	<b>3,028,086</b>	<b>30,537,938</b>

**Operation Management**

Incorporated Energy Plan into the Resource Conservation section of Maintenance Plan. Added water conservation information. Minor clerical edits to Maintenance Plan and Integrated Pest Maintenance Plan.

**Grievance Procedures.**

No changes.

### **Homeownership Programs**

Updated program statistics. Clerical edits to program description and participation requirements.

#### **The HACSA Section 8 HomeOwnership Program**

HACSA's Section 8 HomeOwnership program was restarted in 2015 after a brief hiatus used to review and update program guidelines. HACSA's Section 8 HomeOwnership Program follows best practices outlined by Nan McKay. In addition, participants are required to attend a Section 8 HomeOwnership Information Session as the first step towards participating in this program. Voucher holders who are still interested in the program are then referred to participate in the Family Self Sufficiency Program (FSS) where they receive assistance with becoming ready for homeownership and the responsibilities it entails. As an FSS participant, they are also eligible to build an Escrow savings account if they are working or self-employed, and are eligible to start an Individual Development Account to be used as a down payment. In FSS, participants address issues such as financial literacy, credit repair, and budgeting. In 2015, 18 Housing Choice Voucher holders attended Information Sessions for the S8 Home Ownership Program, and 12 of those applied for the FSS Program.

#### *Program Statistics:*

Currently, there are 20 families receiving homeownership assistance from HACSA.

- 6 families live in Springfield,
- 3 families live in Eugene,
- 3 families live in Oakridge,
- 3 families live in Junction City,
- 3 families live in Veneta, and
- 2 families live in Cottage Grove.

These families include:

- 45 family members, including 12 children from 5 families
- 13 families with a female head of household
- 7 families with a male head of household
- 7 families with an elderly head of household
- 14 families with the head of household being a person with a disability

### **Community Service and Self-Sufficiency Programs.**

No changes

### **Safety and Crime Prevention**

#### **Goals and Objectives for the Violence Against Women Act (VAWA) of 2013**

The VAWA act of 2013 provided special protections for victims of domestic violence, dating violence, sexual assault and stalking who are applying for or receiving assistance under the public housing program.

HACSA has adopted Nan McKay Admissions and Continued Occupancy template. Please refer to Part VII: Violence Against Women Act (VAWA): Notification, Documentation, and Confidentiality, pages 16-26. The Section 8 Admin plan has adopted a Nan McKay template. Please refer to Part IX: Violence Against Women Act (VAWA): Notification, Documentation and Confidentiality.

Our main objective is to maintain compliance with all applicable legal requirements of VAWA. In order to assure such compliance, training of appropriate staff managing HACSA housing developments regarding this policy is imperative. HACSA will seek to respond in accordance with this policy to reported incidents of domestic violence, dating violence, sexual assault, or stalking, including but not limited to providing housing opportunities for victims of domestic violence, dating violence, sexual assault, or stalking.

Minor edits and updated current law enforcement data access information.

### **Pet Policy**

No changes

### **Asset Management**

Updated RAD participation section of Asset Management statement to reflect multi-phased approach to the disposition of PH Scattered Site units.

**Substantial Deviation**

Updated definition of Substantial Deviation and Significant Amendment as follows:

**Housing And Community Services Agency Of Lane County  
Definitions of Substantial Deviation to the PHA 5 Year Plan and Significant Amendment to the 5 Year and Annual Plan**

In accordance with 24 CRF 903.7(r)(2) which requires public housing authorities to identify the basic criteria the agency will use to determine a substantial deviation from its 5 Year Plan and significant amendments or modification to the 5 Year Plan and Annual Plan, the following definitions are offered:

**Definition of Substantial Deviation from the 5 Year Plan:**

- A substantial change in a goal(s) identified in the 5 Year Plan.

**Definition of Significant Amendment or Modification to the Annual and 5 Year Plan:**

- Changes of a sufficient nature to the rent, admissions policies, or the organization of the waiting list not required by federal regulatory requirements as to a change in the Section 8 Administration Plan or the Public Housing Admissions and Continued Occupancy Policy. This includes elimination or major changes in any activities proposed, or policies provided in the agency plan that would momentarily affect services or programs provided residents. This definition does not include budget revisions, changes in organizational structure, changes resulting from HUD-imposed regulations, or minor policy changes.
- Significant dollar or work item changes to the Capital Fund grant. Significant dollar change to be defined as more than 20% of the total annual grant. Moving a work item from one year to another will not be considered a significant change even if that change produces a dollar change over 20%.
- Any change with regard to demolition or disposition, designation, homeownership programs, or conversion activities.

As a result of our participation in the Rental Assistance Demonstration (RAD), HACSA is further defining Substantial Deviation and Significant Amendment or Modification to exclude the following RAD-specific items:

- The decision to convert to either Project Based Rental Assistance or Project Based Voucher Assistance.
- Changes to the Capital Fund Budget produced as a result of each approved RAD Conversion, regardless of whether the proposed conversion will include use of additional Capital Funds.
- Changes to the construction and rehabilitation plan for each approved RAD conversion.
- Changes to the financing structure for each approved RAD conversion.

(c) The PHA must submit its Deconcentration Policy for Field Office review.

*See section b.1, above*

**B.2 New Activities.**

(a) Does the PHA intend to undertake any new activities related to the following in the PHA's current Fiscal Year?

Y N

- Hope VI or Choice Neighborhoods.
- Mixed Finance Modernization or Development.
- Demolition and/or Disposition.
- Designated Housing for Elderly and/or Disabled Families.
- Conversion of Public Housing to Tenant-Based Assistance.
- Conversion of Public Housing to Project-Based Assistance under RAD.
- Occupancy by Over-Income Families.
- Occupancy by Police Officers.
- Non-Smoking Policies.
- Project-Based Vouchers.
- Units with Approved Vacancies for Modernization.
- Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project based units and general locations, and describe how project basing would be consistent with the PHA Plan.

**Hope VI or Choice Neighborhoods.**

No activity

**Mixed Finance Modernization or Development.**

No activity

**Demolition and/or Disposition**

No activity

	<p><b>Designated Housing for Elderly and/or Disabled Families.</b> No activity</p> <p><b>Conversion of Public Housing to Tenant-Based Assistance.</b> No activity</p> <p><b>Conversion of Public Housing to Project Based Assistance – Rental Assistance Demonstration (RAD) Program</b> RAD was designed by HUD to assist in addressing the capital needs of public housing by providing access to private sources of capital to repair and preserve its affordable housing assets. HACSA submitted applications for participation in the RAD program in November of 2013. HACSA plans to convert 112 of its scattered sites to Project Based Rental Assistance (PBRA) or Project Based Vouchers (PBV) and transfer assistance to new sites under the guidelines of PIH Notice 2012-32, REV-2 and any successor notices. HACSA received a RAD Portfolio Award for 112 units and a CHAP (Commitment to Enter into Housing Assistance Payments) award for 56 of those units in March of 2015. HACSA submitted a revised multi-phase application in May of 2016 which will result in a new CHAP and allow conversion of the units as follows: <u>AMP 200 Springfield Sites (Partial Conversion):</u> AMP 200 OR000600200 includes 20 scattered site units. A multi-phase application was submitted in May 2016 for the initial phase that converts 3 units to Richardson Bridge, an existing HACSA development. The next phase will transfer the remaining 17 units to a new housing development. Application for the second phase will be made prior to July 1, 2018. The remaining units in AMP 200 will remain unchanged. <u>AMP 300, Eugene Scattered Sites (Partial Conversion):</u> AMP 300 OR000600300 includes 92 scattered site units. A multi-phase application was submitted in May 2016 for the initial phase that converts 9 units to Richardson Bridge, an existing HACSA development. The next phase will transfer the remaining 83 units to a new development. Application for the second phase will be made prior to July 1, 2018. The remaining units in AMP 300 will remain unchanged.</p> <p><b>Occupancy by Over-Income Families.</b> No activity</p> <p><b>Occupancy by Police Officers.</b> No activity</p> <p><b>Non-Smoking Policies</b> No changes to activity</p> <p><b>Project Based Vouchers</b> HACSA is adopting a Project Based Voucher (PBV) program using up to 20 percent of its budget authority for project based assistance. The program will be based on Nan McKay Best Practices and meet or exceed all HUD requirements for a PBV program. The program will include the following parts: <u>General Requirements</u> - This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements. <u>PBV Owner Proposals</u> - This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors the PHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements. <u>Dwelling Units</u> - This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities. <u>Rehabilitated and Newly Constructed Units.</u> This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance. <u>Housing Assistance Payments Contract</u> - This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at the PHA's discretion. <u>Selection of PBV Program Participants</u> - This part describes the requirements and policies governing how the PHA and the owner will select a family to receive PBV assistance. <u>Occupancy</u> - This part discusses occupancy requirements related to the lease, and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed. <u>Determining Rent to Owner</u> - This part describes how the initial rent to owner is determined, and how rent will be re-determined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed. <u>Payments to Owner</u> - This part describes the types of payments owners may receive under this program.</p> <p><b>Units with Approved Vacancies for Modernization.</b> No activity</p> <p><b>Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).</b> HACSA is performing due diligence to identify our eligibility for the Securities Grants. If an emergency would arise, HACSA would apply for the Emergency Safety Grant, if eligible.</p>
B.3	<p><b>Civil Rights Certification.</b></p> <p>Form HUD-50077, <i>PHA Certifications of Compliance with the PHA Plans and Related Regulations</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan. See Section 2</p>

<p><b>B.4</b></p>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N  <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<p><b>B.5</b></p>	<p><b>Progress Report.</b></p> <p>Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year and Annual Plan.</p> <p><u>Goal 1 Objective: Increase the number of affordable housing units.</u></p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- Build and/or purchase 180 housing units using a mix of local and federal funding.</li> <li>- Maintain Public Housing vacancies at 3% or less.</li> <li>- Increase voucher total as private landlords opt-out of their current contracts. Estimated increase is 20 – 50 vouchers.</li> </ul> <p>FY 2017 Annual Plan Update -- HACSA has received funding commitments for 102 units, which are now under construction. HACSA has another 200 units in our pipelines and we are in the predevelopment phase of these projects.</p> <p><u>Goal 2 Objective: Continue to receive high performer status.</u></p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- Obligate all Capital Funds within 24 months of grant award.</li> <li>- Expend all Capital Funds within 48 months of grant award.</li> <li>- Comply with the financial reporting requirements of Asset Management.</li> <li>- Comply with the new PHAS requirements (when published) to continue to receive high performer status.</li> <li>- Submit all PHAS reports within required timelines.</li> <li>- Meeting Capital Fund, financial reporting, and PHAS reporting requirements.</li> </ul> <p>FY 2017 Annual Plan Update – HACSA Capital Funds are being obligated and expended in compliance with HUD's deadlines. HACSA made an administrative mistake in submitting FY 15 audited financials and subsequently was categorized as a substandard performer for PHAS. HACSA has every expectation of achieving high performer status for FY 16.</p> <p><u>Goal 3 Objective: Improve community quality of life and economic vitality.</u></p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- Continue to encourage and promote resident involvement by maintaining the level of resident-elected Tenant Advisory Group (TAG) representation at the majority of Public and Assisted Housing complexes.</li> <li>- Assist residents in maintaining Resident Newsletters at the majority of Public and Assisted Housing complexes.</li> <li>- Annually monitor income levels by development to deconcentrate poverty. Bring higher income PH households into lower income developments and vice versa, if necessary.</li> <li>- Continue giving preference to elderly/disabled applicants at Parkview Terrace, Veneta Villa, Cresview Villa, Riverview Terrace, McKenzie Village (one-bedroom units), Lindeborg Place, and Laurelwood Homes (one-bedroom units).</li> </ul> <p>FY 2017 Annual Plan Update -- The TAG (aka the RAB) has been very active in HACSA's strategic planning process and the annual plan process. All other indicators in this section are being met.</p> <p><u>Goal 4 Objective: Promote self-sufficiency and asset development of assisted households.</u></p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- Maintain a minimum enrollment of 135 families in the Family Self-Sufficiency (FSS) Program.</li> <li>- Maintain a minimum representation of 15 community service agencies on the Family Self-Sufficiency Advisory Board.</li> <li>- Promote the FSS Program within the Section 8 Program by presenting FSS information at a minimum of 50% of the new tenant briefings for new Section 8 participants.</li> <li>- Continue the promotion of the FSS program through annual mailings of FSS informational brochures to all Section 8 and Public Housing residents.</li> <li>- Assist a minimum of two FSS participants a year in purchasing a home.</li> <li>- Assist a minimum of ten FSS participants in opening an Individual Development Account (IDA) for a down payment on a home.</li> </ul> <p>FY 2017 Annual Plan Update – All indicators in this section are being met.</p>

	<p><u>Goal 5 Objective: To provide decent, safe and sanitary housing for very low income families while maintaining their rent payments at an affordable level.</u></p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- Review the payment standard yearly and monitor the private market rents so Section 8 families have a greater opportunity to rent outside of poverty areas and increase the supply of housing choices.</li> <li>- Allow two person households to rent a zero bedroom unit (studio apartment) which allows greater housing opportunities for those households.</li> <li>- The Section 8 Supervisor will perform quality control inspections of recently completed Housing Quality Standards (HQS) inspections to maintain, decent, safe, and sanitary housing for at least 34 families per year.</li> <li>- Coordinate and transition privately subsidized families to the Section 8 Voucher Program.</li> </ul> <p>FY 2017 Annual Plan Update – All indicators in this section are being met.</p> <p><u>Goal 6 Objective: To promote a housing program that maintains quality service and integrity while providing an incentive to private property owners to rent to very low income families.</u></p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- Maintain a professional working relationship with landlords/owners in our community through education and seminars on the Section 8 program.</li> <li>- A HACSA staff member serves on the board for the local Rental Owners Association.</li> <li>- Monitor the payment standards and area rents on the private market to keep Section 8 families' portion of rent affordable and allow the Agency to serve the same number of families as in previous years.</li> </ul> <p>FY 2017 Annual Plan Update – All indicators in this section are being met.</p> <p><u>Goal 7 Objective: Maintain Section 8 Homeownership Program (with subsidy assistance)</u></p> <p>Indicators:</p> <ul style="list-style-type: none"> <li>- Provide information to participants from our community partners about the availability of down payment assistance and accessible low interest loans.</li> <li>- Keep Section 8 participants informed of the program through briefings and informational mailings when program reopens.</li> </ul> <p>FY 2017 Annual Plan Update – HACSA has reopened the Section 8 Homeownership Program and these two indicators are being met.</p>
<p><b>B.6</b></p>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) provide comments to the PHA Plan?</p> <p>Y   N  <input type="checkbox"/>   <input checked="" type="checkbox"/></p> <p>(c) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>
<p><b>B.7</b></p>	<p><b>Certification by State or Local Officials.</b></p> <p><i>Form HUD 50077-SL, Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan, must be submitted by the PHA as an electronic attachment to the PHA Plan.</i></p> <p><b>See Section 2</b></p>
<p><b>B.8</b></p>	<p><b>Troubled PHA.</b></p> <p>(a) Does the PHA have any current Memorandum of Agreement, Performance Improvement Plan, or Recovery Plan in place?</p> <p>Y   N   N/A  <input type="checkbox"/>   <input type="checkbox"/>   <input checked="" type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<p><b>C.</b></p>	<p><b>Statement of Capital Improvements.</b> Required for all PHAs completing this form that administer public housing and receive funding from the Capital Fund Program (CFP).</p>
<p><b>C.1</b></p>	<p><b>Capital Improvements.</b> Include a reference here to the most recent HUD-approved 5-Year Action Plan (HUD-50075.2) and the date that it was approved by HUD.</p> <p>See HUD Form= 50075.2 approved by HUD on 10/01/2015.</p>

**Key modification to HACSA's  
Admissions and Continued Occupancy Policies (ACOP)  
Proposed effective date 10-1-16**

Previous Policy	Proposed Policy	Required Change	Impact
HACSA allows residents/applicants to bring family members/friends to assist during interpretation when English is not primary language and no staff who could translate.	HACSA will create a language assistance plan and contract for telephone interpreter services.  Constituents that comprise more than 5% of Lane County residents, HACSA will work to provide translation of documents.	Yes	Positive impact for applicants and residents.
HACSA required unrelated adults to establish a stable family relationship.	The family may provide HACSA with documentation they have resided together or self-certify that each individual's income and resources are available to meet the family needs.	Yes	Reduced impact on applicants and residents who were previously required to get additional documentation.
In past, HACSA used the traditional definition of 'spouse' if not legally married, designating household member as 'co-head.'	If family states they have a common law marriage, member will now be coded as 'spouse.' Certification by the head of household of the relationship will normally be sufficient. If there is reasonable doubt, the family will be asked to provide further documentation.	No	No monetary or status impact to family.
HACSA did not have specific written policy regarding absences from public housing unit.	A family member absent for more than 90 consecutive days will no longer be considered a family member, with noted exceptions: Absent student will be considered a family member unless they have established a separate household or the family requests they be removed. Children in foster care will remain in the family unless HACSA confirms they are permanently removed.	Yes	Clearer definition and standardized practice.
HACSA did not require annual, on-going verification of need for live in aide.	HACSA may certify annually, the need for a live in aide.	No	Residents may be asked to provide verification of on-going need of live in aide. This policy will ensure residents are residing in correct bedroom size based on occupancy standards; not over-housing residents.
If applicant family was denied due to no eligible citizens, applicants had a right to request review with HACSA.	HACSA will add additional language applicant may appeal to US Citizen and Immigration Services or request an informal review with HACSA.	Yes	Informing applicants of additional rights to appeal.
HACSA obtained alternate ID through HUD website for families with a child under six, and without SSN, and family was required to provide HACSA verification of SSN within 90 days.	Option now only available to a child under six who has been added to a family within the prior six months.	Yes	No significant impact expected.
HACSA did not previously define being 'currently engaged' in the use of drugs.	'Currently engaged' in the use of an illegal drug within the previous six months.	Yes	Clearer definition and standardized practice.

Attachment A: Key modification to HACSA's Admissions and Continued Occupancy Policies (ACOP)

Previous Policy	Proposed Policy	Required Change	Impact
HACSA routinely checked sex offender registration for applicants, but did not differentiate between lifetime registration and others.	If not a lifetime registered offender, HACSA may deny access to program. If lifetime registered offender, HACSA must deny.	Yes	Compliance with lifetime registry denial requirement.
HACSA had no written policy to allow an applicant family the opportunity to remove a registered sex offender from household, though it was the practice.	Families may choose to remove offender from application but must certify the offender may not be permitted to visit or stay as guest in public housing. HACSA may require documentation of another address.	Yes	Clearer definition and standardized practice.
HACSA currently includes Violence Against Women Act (VAWA) language on denial notices.	HACSA will also provide a copy of the HUD 50066.	Yes	Comply with VAWA requirements.
HACSA provided applicant a summary of the criminal history background or sex offender registration information at the time of denial.	HACSA will provide applicant and involved member with a summary of the criminal history 14 calendar days to dispute accuracy and relevance of information prior to a denial letter being sent.	Yes	Provides additional rights and protections to applicants.
HACSA allowed applicant family to request to be placed in unit smaller than occupancy guidelines under certain circumstances.	When HACSA approves occupancy in a smaller unit, the family must agree not to request a transfer for two years after admission unless they have a change in family composition.	No	Clearer definition and standardized practice. Ensure best use of housing resources.
HACSA maintains an outlying area waiting and Metro (Eugene/Springfield).	HACSA adopts site based waiting list. Applicants may specifically select any specific development.	No	Offers applicant the ability to apply for a particular development and/or area and allow for streamlined process internally for HACSA.
HACSA required to publish opening and closing of waiting list in newspaper and other media sources.	HACSA will publish opening and closing of waiting list in print and electronically to suitable media outlets and community agencies.	No	Allows HACSA flexibility to announce in most effective way and ability to use current technologies.
HACSA had several local preferences to accommodate internal transfers and a preference for families paying more than 30% of their income toward rent.	<p>The following preferences are worth 10 points: Victims of domestic or dating violence, sexual assault, or stalking in Section 8 properties managed by HACSA, who's situation requires moving from their current housing situation.</p> <p>Persons with disabilities needing an accessible unit or reasonable accommodation living in Section 8 properties, managed by HACSA who cannot be reasonably accommodated in their development. According to Federal Regulation, HACSA will meet income targeting guidelines; local preference not required.</p> <p>Residents will be requesting the local preference will be required to provide verification of VAWA eligibility or the need for an accommodation.</p>	Yes	Eliminating local preferences that were not in compliance. Local preferences were not required for transfer procedures. Created two preferences to allow HACSA to accommodate transfers between HACSA managed programs.

Attachment A: Key modification to HACSA's Admissions and Continued Occupancy Policies (ACOP)

Previous Policy	Proposed Policy	Required Change	Impact
Applicant was allowed to be held at top of waiting list to await a specific location without restriction.	Applicants will be allowed a maximum of two unit offers. Unit offers will be at different site based locations. Applicant must accept or refuse within three business days. If applicant refuses second offer, applicant will be removed from waiting list and notified of their right to an informal hearing.	No	Streamlined waiting list process. Clearer definition and standardized practice.
Residents may be eligible for an Earned Income Disregard over 48 month period.	Residents who are eligible for Earned Income Disregard, have a 24 month, lifetime maximum.	Yes	Implementing new HUD definitions.
HACSA required applicants or residents to provide copies of Social Security verification for payment amounts and eligibility when the information was not available through the EIV system.	HACSA may now also use DHS screens (UIV) to verify disability status and/or payment amounts	No	Fewer applicants/residents required to go to SSA for verification
HACSA often required paystubs or payroll verification for multiple months of income.	HACSA will require the family to provide paystubs or payroll documentation for a minimum of the month current month (or 30 day period). HACSA may require additional documentation as needed to determine rent or eligibility.	No	Fewer applicants/residents will be required to obtain payroll/paystubs for multiple months.
HACSA verified excluded income.	HACSA will accept the family's self-certification as verification of fully excluded income sources. Additional verification may be required based on other policy or rule. HACSA will continue to verify the source and amount of partially excluded income.	No	Fewer applicants/residents will be required to obtain verification of fully excluded income sources.
Security deposit amounts were as follows: \$100.00 for Public Housing Units located at: Veneta Villa Parkview Terrace Riverview Terrace Cresview Villa Lindeborg Place  Public Housing Units located at:  McKenzie Village Laurelwood Homes Pengra Court Veneta Scattered Sites Scattered Sites Maplewood Meadows  1 bedroom - \$100.00 2 bedroom - \$300.00 3 bedroom - \$450.00 4 bedroom - \$450.00	New security deposits will be:  1 bedroom - \$275.00 2 bedroom - \$425.00 3 bedroom - \$575.00 4 bedroom - \$650.00	No	This change will assist HACSA to cover the increasing costs associated with cleaning and repairing units after a resident vacates and decrease the amount of bad debt being written off to cover the charges. Applicants are eligible to work with a community partner for loan assistance for the security deposit amount.
Rent may be paid by money order, check or ACH (direct automatic withdrawal)	Adds language that HACSA may accept electronic debit or credit for the payment of rent.	No	Allow additional payment options for residents.

Attachment A: Key modification to HACSA's Admissions and Continued Occupancy Policies (ACOP)

Previous Policy	Proposed Policy	Required Change	Impact
HACSA currently charges a late fee of \$25.00	HACSA will charge a late fee of \$50.00	No	Will cover the increasing administrative costs to process late payments of rent. Residents are encouraged to use ACH (automatic withdrawal) to avoid late fees. Raising the late fee amount will also encourage residents to make rent payments on time as required by their lease agreements.
HACSA Statement of Policies did not clearly outline additional unit inspections that may occur.	<p>Expand language that includes reasons to inspect such as; but not limited to:  Housekeeping, Unit Condition, Suspected Lease Violation, Preventative Maintenance, Routine Maintenance, Preparation for HUD, REAC inspections and when reasonable cause exits to believe an emergency exists. HACSA will follow the terms of the lease and Oregon Landlord Tenant Law to provide notice to residents.</p> <p>For regular annual inspections, HACSA will provide residents a minimum of 7 calendar days' notice prior to the inspection.</p> <p>HACSA may enter unit at any time without prior notice when there is reasonable cause to believe an emergency exists.</p> <p>Residents needing to reschedule an appointment must notify HACSA within 24 hours prior to the scheduled inspection. HACSA will reschedule no more than once without verifiable good cause.</p>	No	Clarifying language added.
HACSA conducted annual verification of fixed income sources	HACSA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources. Third party verification of fixed sources must still occur at intake and every three years thereafter.	No	Part of HUDs May Streamlining Rule. Fewer residents will be required to verify fixed income sources.
HACSA's reexamination application did not ask resident if the resident or any member of the resident's household was subject to lifetime sexual offender registration requirements.	HACSA's reexamination application will ask residents if the resident or any member of the resident's household was subject to lifetime sexual offender registration requirements. HACSA will also check both LEDS and the Dru Sjodin National Sex Offender database annually	Yes	Compliance

Attachment A: Key modification to HACSA's Admissions and Continued Occupancy Policies (ACOP)

Previous Policy	Proposed Policy	Required Change	Impact
HACSA practice inconsistent about the effective date of annual reexamination when the family caused a delay in the processing.	<p>If the family causes a delay in the processing of the annual examination, decreases in the rent will be applied prospectively, from the first day of the month following completions of the reexamination process.</p> <p>If they family caused a delay in the reexamination process, an increase in rent will be applied retroactively, to the scheduled effective date of the annual reexamination.</p>	No	Clearer definition and standardized practice.
Families on rent were not receiving an annual reexamination of household composition	Families choosing flat rent will receive a reexamination to determine family composition, sign releases, etc. The income for these families must only be recertified every three years.	Yes	Compliance
Residents are required to report increases in income of more than \$200. HACSA would verify income and adjust rent accordingly	Residents are required to report all increases in income, including new employment. HACSA will only conduct interim reexaminations for families that qualify for EID only when the family's rent will change as a result of the increase or when requested by the resident (for example an FSS participant). In all other cases, HACSA will note the information in the file, but will not conduct an interim reexamination.	No	This change will decrease the administrative work required to change a residents rent when the family increases their income. The interim process is time consuming and often results in very small changes in rent. This will streamline process and will allow families to report but not see an immediate increase in their rent.
A family may report a decrease in income expected to last 30 days or more anytime during the month. The effective date would be the first of the following month, unless the family causes a delay.	A family may report a decrease in income expected to last 30 days or more and provide verification of the decrease in income before HACSA's accounting cut-off (currently the 25 <sup>th</sup> of the month) for the effective date to be the 1 <sup>st</sup> of the following month. Income decreases reported and verified on or after the account cut off will be effective the second month	No	This language will clarify and resolve a current issue with residents reporting changes in income without providing documentation. The documentation process may then delay the rent change for multiple months. This change will align the accounting process for closing the books with the interim reexamination process.
HACSA revises utility allowances to all families annually (at one time during the year)	New utility allowances will be applied to a families rent calculation at the next interim or annual reexamination following the effective date of the new utility allowance	No	Streamline process
HACSA charges \$5.00 per occurrence for removal of pet waste.	HACSA charges \$10.00 per occurrence for removal of pet waste	No	Increases pet waste removal charge based on increased cost for HACSA staff to travel to a unit and remove waste.

Attachment A: Key modification to HACSA's Admissions and Continued Occupancy Policies (ACOP)

Previous Policy	Proposed Policy	Required Change	Impact
HACSA did not define minimum work hours needed to be exempt from community service requirements.	<p>HACSA will consider 10 hours per week as the minimum number of hours needed to qualify for a work activity exemption</p> <p>A family will also be considered exempt if they qualify for SNAP benefits.</p>	Yes	Compliance
HACSA policy did not address transfers for residents due to demolition or disposal of the PH unit or for modernization.	<p>If HACSA requires a move for demo, disposition or modernization and the plan is to relocate the family to another PH unit, the family will be placed on the transfer list</p> <p>Transfers will be processed in the following order:</p> <ol style="list-style-type: none"> <li>1. Emergency transfers (hazardous maintenance conditions)</li> <li>2. High-priority transfers (verified medical condition, threat of harm or criminal activity, and reasonable accommodation)</li> <li>3. Transfers to make accessible units available</li> <li>4. Demolition, renovation, etc.</li> <li>5. Occupancy standards</li> <li>6. Other HACSA -required transfers</li> <li>7. Other tenant-requested transfers</li> </ol> <p>Residents will receive one offer to transfer. Refusal without good cause may result in lease termination. When transfer is at resident request, refusal without good cause will result in removal from transfer list and the resident must wait at least 6 months to reapply for a transfer.</p>	Yes	Compliance and standardize practice
Eligibility for transfer language missing or unclear	HACSA will only consider a transfer for residents who have not engaged in criminal activity, do not owe back rent or charges, have a history of late payments, have housekeeping violations, history of damaging property or when utilities cannot be properly turned on in the head of households name.	No	Clearer definition and standardized practice. Ensures that lease violation issues are address before HACSA transfers family to another unit.
HACSA did not define "repeated" late payment of rent.	Three late payment of rent notices in a 12 month period will constitute "repeated" late payment	No	Clearer definition and standardized practice.
HACSA did not define period of time family could be away from unit without notifying HACSA	Family must notify HACSA for absences of more than 7 days and obtain approval for extended absences.	No	Clearer definition and standardized practice.

Attachment A: Key modification to HACSA's Admissions and Continued Occupancy Policies (ACOP)

Previous Policy	Proposed Policy	Required Change	Impact
HACSA generally mailed termination of lease notices to residents. (occasionally also posted the notice in a sealed envelope on the door)	HACSA will mail termination notices and may also attempt to deliver notices directly to resident or adult household member or post in a sealed envelope on the door. All termination notices will be in compliance with VAWA requirements.	No	Clearer definition and standardized practice.
HACSA refers to the Community Service Agreement used to inform a family that they didn't complete the required hours as a Promissory Note	HACSA will refer to the Community Service Agreement used to inform a family that they didn't complete the required hours as a Work Out Agreement	No	Align with HUD language
HACSA practice did not provide for audio taping an informal hearing	HACSA will audio tape an informal hearing when requested by an Applicant. HACSA will not provide a transcript of the audio tape.	Yes	Compliance
HACSA policy does not clearly address criminal prosecution.	When HACSA determines program abuse, that meets or exceeds the threshold for prosecution, the matter will be forwarded to the appropriate entity for prosecution	No	Compliance and good business practice
HACSA determined maximum rents in accordance with HUD policy. Max rents were not based on the flat rents	HACSA will base maximum rent on the flat rate for the unit	Yes	Compliance
HACSA policy did not address residents with a repayment agreement, who accrued new charges	HACSA will not enter into a repayment agreement with a family if there is already a repayment agreement in place. HACSA may at its discretion allow the family to sign a new repayment agreement for both the existing and new amounts owed. HACSA will not allow a repayment agreement for current rent.	No	Clearer definition and standardized practice.

## Key Modifications to HACSA's Section 8 Administrative Plan Proposed effective date 10-1-16

Previous Policy	Proposed Policy	Required Change	Impact
At application or when a family is adding a new family member they must be able to show relationship by blood, marriage, or operation of law to head of household or spouse.	The family may provide HACSA with documentation they have resided together or self-certify that each individual's income and resources are available to meet the family needs.	Yes	Reduced impact on applicants and tenants who were previously required to get additional documentation.
A permanently absent family member will be determined permanently absent if verification is provided and will not be allowed to return to the unit for one year.	The family must request PHA approval for the return of any adult family members that the PHA previously determined to be permanently absent.	Yes	Positive impact for tenants as they will not have to wait the one year period for the return of a family member.
If a family consists of only a single head of household and they are absent from their assisted unit for a consecutive 180 days then they are considered permanently absent and their assistance is terminated.	The PHA will request verification of the family member's permanent absence from a responsible medical professional.	Yes	Positive impact for tenants as assistance is no longer terminated without verification.
Absence due to foster care. If the time period is to be greater than six months from the date of removal of the child/ren the voucher size may be reduced at the annual income review.	If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.	Yes	Clearer definition and standardized practice.
Live in Aides cannot later become a part of the family under the Section 8 Program.	Language removed	Yes	Positive impact for tenants as they will define their family composition.
Any PH resident who comes to the top of the Section 8 waiting list must be out of their PH.	Language removed	Yes	Positive impact for tenants as they will not have to move from PH in order to pursue a Section 8 subsidy.
No clear language regarding what resources were to be used to screen applicants for admission regarding sex offender status.	The PHA will use the Dru Sjodin National Sex Offender data base to screen applicants for admission.	No	Clearer definition and standardized practice.
Local preferences lacked clear definitions and process.	Clearer definitions and implementation of local preferences established	No	Clearer definition and standardized practice.
Placement on the waiting list. To be considered the remaining member of an applicant family, the person must have been residing in the household for at least six months prior to coming to the top of the waiting list and have been added to the application within six months of coming to the top of the waiting list.	Language removed.	Yes	Positive impact for applicants. Will be able to establish family composition at any time.
HACSA currently includes Violence Against Women Act (VAWA) language on denial notices.	HACSA will also provide a copy of the HUD 50066.	Yes	Comply with VAWA requirements.
Notification of withdrawing an applicant from the waiting list. If the notice is returned by the post office with a forwarding address the notice will be resent to the address indicated.	If the notice is returned by the post office the applicant will be removed from the waiting list without further notice. If a family is removed from the waiting list for failure to respond, the PHA may reinstate the family if it is determined that the lack of response was due to PHA error, or to circumstances beyond the family's control.	No	Positive impact for applicants. Will allow access to vouchers more quickly as process is streamlined.

**Attachment B: Key Modifications to HACSA's Administrative Plan**

<b>Previous Policy</b>	<b>Proposed Policy</b>	<b>Required Change</b>	<b>Impact</b>
HACSA had adopted a Project Based Voucher component into Admin Plan.	HACSA will be implementing a Project Based Voucher Program.	No	Positive impact for tenants as it will diversify the use of vouchers
Suspension of voucher. When a Request for Tenancy Approval and proposed lease is received by the PHA the term of the voucher will not be suspended while the PHA is processing the request.	The PHA must provide for suspension of the initial or any extended term of the voucher from the date the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied.	Yes	Positive impact for tenants as it will allow full access of the voucher for housing search.
Joint Custody of Dependents. Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 51 percent or more each week.	Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 51 percent or more of the time.	No	Positive impact for applicants and tenants as it allows for a broader definition of dependent.
Medical Expenses. Nonprescription medicines must be doctor recommended in order to be considered a medical expense. Nonprescription medicines will be counted toward medical expenses for families who qualify if the family furnishes legible receipts. Medical transportation costs will be reviewed on a case by case situation by the Section 8 Supervisor.	The most current IRS Publication 502, Medical and Dental Expenses, will be used as a reference to determine the costs that qualify as medical expenses.	No	Provides clearer definition.
If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, the PHA is allowed to establish a higher payment standard for the family of not more than 110 percent of the published FMR.	If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, the PHA is allowed to establish a higher payment standard for the family of not more than 120 percent of the published FMR.	Yes	Positive impact for applicant and families as it provides increased access to funds under reasonable accommodation.
No previous policy in place for "healthy living environment"	The PHA must define a "healthy living environment" for the local climate. There must be a permanently installed heating source able to provide a room temperature of 68°F. Heating devices must conform to applicable laws and fuel-burning appliances must be properly ventilated.	Yes	Clearer definition and standardized practice.
Residents may be eligible for an Earned Income Disregard over 48 month period.	Residents who are eligible for Earned Income Disregard, have a 24 month, lifetime maximum.	Yes	Implementing new HUD definitions.
Additional Local Requirements to meet Housing Quality Standard (HQS) Inspection. Refuse container must be a garbage can with lid.	Language removed. HACSA will follow guidance in HUD regulations for HQS which state there must be services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary.	No	Allows other options for refuse.
Additional Local Requirements to meet Housing Quality Standard (HQS) Inspection. A bedroom must be at least 70 square feet.	Language removed. HACSA will follow guidance in HUD regulations for HQS which state a bedroom must have two working outlets and a window.	No	Reduces restrictions on what defines a bedroom allowing increased housing opportunities for applicants and tenants.
Additional Local Requirements to meet HQS Inspection. The water heater must have a temperature/pressure relief valve with a tag or other permanent markings that gives the pressure reading (125 psi or 150 psi) and the temperature reading (200F or 210F). The water heater must also have discharge pipe for the relief valve which is the same diameter or large, as the water intake pipe and which is made of material which can withstand the temperature and pressure listed above. The discharge pipe must be directed outside or toward the floor.	Language removed. HACSA will follow guidance in HUD regulations for HQS which state a hot water heater must have a temperature/pressure relief valve which will operate when either the temperature or the pressure in the tank is too high. The hot water heater must also have a discharge line directed to the floor or outside the living area.	No	Reduces restrictions on what defines a hot water heater allowing increased housing opportunities for applicants and tenants.

Attachment B: Key Modifications to HACSA's Administrative Plan

Previous Policy	Proposed Policy	Required Change	Impact
HACSA verified excluded income.	HACSA will accept the family's self-certification as verification of fully excluded income sources. Additional verification may be required based on other policy or rule. HACSA will continue to verify the source and amount of partially excluded income.	No	Allow additional payment options for residents.
Life Threatening Conditions found at HQS Inspections. The HA may give a short extension (not more than 48 additional hours) whenever the responsible party cannot be notified or it is impossible to effect the repair within the 24 hr. period.	Language removed. The responsible party must correct life-threatening conditions within 24 hours of PHA notification.	Yes	No extensions will be given.
The PHA will not approve an initial lease term of less than one year.	The PHA will approve an initial lease term of less than one (1) year only where the PHA determines and can clearly document that: (i) Such shorter term would improve housing opportunities for the tenant; and (ii) Such shorter term is the prevailing local market practice.	No	Expands housing opportunities for applicants and tenants.
HACSA conducted annual verification of fixed income sources	HACSA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources. Third party verification of fixed sources must still occur at intake and every three years thereafter.	No	Part of HUDs May Streamlining Rule. Fewer residents will be required to verify fixed income sources.
HAP Contract Execution. Owners who have not previously participated in the HCV program must attend a meeting with the PHA in which the terms of the Tenancy Addendum and the HAP contract will be explained.	Owners who have not previously participated in the HCV program will be invited to attend a meeting with the PHA in which the terms of the Tenancy Addendum and the HAP contract will be explained.	No	Streamlines the leasing up process.
For any family moving into its jurisdiction under portability, the PHA will conduct a new reexamination of family income and composition.	The PHA will rely upon the income information provided by the initial PHA and will not conduct a new reexamination of income and composition for incoming portable families.	No	Streamlines the portability in process.
Effective date for income changes. When a family requests an interim down all documentation of decreases in family income/family composition must be received no later than the 25 <sup>th</sup> of the month to take place at the first of the following month.	If a family reports a change that it was not required to report and that would result in a decrease in the family share of rent, the PHA will conduct an interim reexam. The decrease will be effective on the first day of the month following the month in which the change was reported and all required documentation was submitted. In cases where the change cannot be verified until after the date the change would have become effective, the change will be made retroactively. For example, an interim decrease is reported and all required documentation is provided to the PHA on April 30th, but the PHA was not able to verify the changes until May 15th, the interim change will be made retroactive to May 1st examination.	No	Provides applicants and tenants with a more timely rent change when the tenant's income decreases.
Expenditures from the Administrative fee reserve will be made in accordance with all applicable federal requirements. Expenditures will not exceed \$10,000 per occurrence without the prior approval of the PHA's Board of Commissioners.	Expenditures from the UNP account will be made in accordance with all applicable federal requirements. Expenditures will not exceed \$100,000 per occurrence without the prior approval of the PHA's Board of Commissioners.	No	Aligns with HACSA's procurement policy.



**U.S. Department of Housing and Urban**  
OFFICE OF PUBLIC AND INDIAN HOUSING  
REAL ESTATE ASSESSMENT CENTER

**Public Housing Assessment System (PHAS) Score Report for Interim Rule**

Report Date: 12/04/2015

PHA Code:	OR006
PHA Name:	Housing Authority & Comm Svcs of Lane Co
Fiscal Year End:	09/30/2014

PHAS Indicators	Score	Maximum Score
Physical	37	40
Financial	0	25
Management	22	25
Capital Fund	10	10
Late Penalty Points	0	
<b>PHAS Total Score</b>	<b>69</b>	<b>100</b>
<b>Designation Status:</b>	<b>Substandard Financial</b>	
Published 12/04/2015	Initial published	04/06/2015

Financial Score Details	Score	Maximum Score
1. FASS Score before deductions	22.91	25
2. Audit Penalties	0.00	
Total Financial Score Unrounded (FASS Score - Audit Penalties)	22.91	25

Capital Fund Score Details	Score	Maximum Score
Timeliness of Fund Obligation:		
1. Timeliness of Fund Obligation %	90.00	
2. Timeliness of Fund Obligation Points	5	5
Occupancy Rate:		
3. Occupancy Rate %	100.00	
4. Occupancy Rate Points	5	5
Total Capital Fund Score (Fund Obligation + Occupancy Rate):	10	10

Notes:

- The scores in this Report are the official PHAS scores of record for your PHA. PHAS scores in other systems are not to be relied upon and are not being used by the Department.
- Due to rounding, the sum of the PHAS indicator scores may not equal the overall PHAS score.
- "0" FASS Score indicates a late presumptive failure. See 902.60 and 902.92 of the Interim PHAS rule.
- "0" Total Capital Fund Score is due to score of "0" for Timeliness of Fund Obligation. See the Capital Fund
- PHAS Interim Rule website - <http://www.hud.gov/offices/reac/products/prodphasinrule.cfm>



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
 Portland Office; Northwest/Alaska Area  
 1220 SW Third Avenue, Suite 400  
 Portland, Oregon 97204-2825

## OFFICE OF PUBLIC HOUSING

April 15, 2016

Jacob Fox, Executive Director  
 Housing and Community Services Agency of Lane County  
 177 Day Island Road  
 Eugene, OR 97401-7911

Thank you for completing your Section 8 Management Assessment Program (SEMAP) certification. We appreciate your time and attention to the SEMAP assessment process. SEMAP enables HUD to better manage the Section 8 tenant-based program by identifying HA capabilities and deficiencies related to the administration of the Section 8 program. As a result, HUD will be able to provide more effective program assistance to HAs.

Your Agency's final SEMAP score for the fiscal year ended September 30, 2015 is **74** and your overall rating is **Standard**. The following are the scores on each Indicator:

<i>Indicator</i>	<i>Score</i>
1 Selection from Waiting List (24 CFR 982.54(d)(1) and 982.204(a))	15
2 Reasonable Rent (24 CFR 982.4, 982.54(d)(15), 982.158(f)(7) and 982.507)	0
3 Determination of Adjusted Income (24CFR part 5 subpart F & 24CFR 982.516)	15
4 Utility Allowance Schedule (24 CFR 982.517)	5
5 HQS Quality Control (24 CFR 982.405(b))	5
6 HQS Enforcement (24 CFR 982.404)	10
7 Expanding Housing Opportunities	0
8 Payment Standards (24 CFR 982.503)	5
9 Timely Annual Reexaminations (24 CFR 5.617)	10
10 Correct Tenant Rent Calculations (24 CFR 982, Subpart K)	5
11 Pre-Contract HQS Inspections (24 CFR 982.305)	5
12 Annual HQS Inspections (24 CFR 982.405(a))	10
13 Lease-Up	15
14 Family Self-Sufficiency (24 CFR 984.105 and 984.305)	NA
15 Deconcentration Bonus	0

We have recorded that your Agency was rated zero on at least one of the Performance Indicators. To ensure compliance with program rules, you must send HUD confirmation that you've taken action to correct each zero rating. Within 45 days of this letter's date, please send us a description of this action or HUD may require a formal Corrective Action Plan. Thank you for your cooperation with the SEMAP process. If you have questions, please contact Ray Phung at [raymond.phung@hud.gov](mailto:raymond.phung@hud.gov) or 971 222-2662.

Sincerely,

Laure Rawson, Director  
 Office of Public Housing

**Element 1.**

Eligibility, Selection, and Admissions Policies, including  
Deconcentration and Wait List Procedures.

**Analysis of Poverty Concentrations  
Annual Plan for Fiscal Year 2017**

HACSA's Section 8 Administrative Plan and Public Housing Statement of Policy include policies designed to promote deconcentration of poverty and income mixing. The Administrative Plan and the Statement of Policy are included in our Agency Plan.

HACSA has analyzed each of its fifteen (15) Public Housing developments, organized into six Asset Management Projects (AMPS), to ensure that there are no poverty concentrations. This was completed by analyzing Tenant Income Summary by Project – Income Mixing Analysis reports which demonstrates the distribution of residents in each project by established income range (EIR) in accordance with our Deconcentration Policy.

HACSA found no concentrations of concern in any of its Public Housing developments. Copies of these statistical reports are included in our Agency Annual Plan.

## Housing and Community Services Agency of Lane County

### Deconcentration Policy [24 CRF 903.2]

Housing and Community Services Agency of Lane County (HACSA) will provide for deconcentration of poverty and encourage income mixing by bringing higher income families into lower income developments and lower income families into higher income developments.

To implement the statutory requirement to deconcentrate poverty and provide for income mixing in its covered developments, the PHA must comply with the following steps for covered developments:

1. On annual basis, HACSA will determine the average income of all families residing in all of the PHA's covered developments. In determining the average income for each development, HACSA will not adjust for unit size.
2. HACSA will then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from 85% to 115% of the average family income determined in step 1.
3. If developments having average incomes outside the EIR are identified, HACSA will determine if these developments are consistent with its local goals and annual plan.

HACSA's Section 8 Administrative Plan and Public Housing Statement of Policies (SOP) are submitted to HUD as part of the PHA Annual Plan process. Admission policies designed to promote deconcentration of poverty and income mixing can be found in the following sections:

<b>Program</b>	<b>Policy</b>	<b>Document</b>	<b>Location</b>
Public Housing	Eligibility	SOP	Section III
	Selection and Admissions	SOP	Section IX
	Deconcentration	SOP	Section II
	Deconcentration Analysis	PHA Plan	Element 1
	Tenant Statistical Data	PHA Plan	Element 1
	Waiting List Procedures	SOP	Section IV
Housing Choice Voucher	Eligibility	Section 8 Admin Plan	Chapter 3
	Selection and Admissions	Section 8 Admin Plan	Chapter 4 Part III
	Waiting List Procedures	Section 8 Admin Plan	Chapter 4 Part II

Public Housing - FY15  
Income Summary by Project - Income Mixing Analysis

Family Complexes

AMP	Project	Units*	Ave Rent	Ave Income PUM	Within EIR Range	Above or Below All Unit Ave Income per AMP	% Very Low Income	% Very Low Income (FY 15) by AMP (for Income-Mixing Analysis)
100	Laurelwood	29	\$276	\$1,279	Yes	Below	59	59
200	Mckenzie Village	147	\$245	\$1,104	Yes	Below	76	
200	Mckenzie Village	22	\$234	\$1,039	Below		77	
200	Scattered Site 6-15	10	\$330	\$1,732	Above	Below	50	
200	Pengra Court	21	\$245	\$1,160	Yes		62	
200	Scattered Site 6-17	10	\$224	\$1,541	Above	Below	50	63
300	Scattered Site 6-15	16	\$172	\$1,432	Yes	Below	56	
300	Scattered Site 6-16	9	\$220	\$1,490	Above		67	
300	Scattered Site 6-17	17	\$148	\$1,277	Yes	Below	76	
300	Scattered Site 6-10***	10	\$259	\$1,761	Above		80	
300	Scattered Site 6-23	40	\$202	\$1,497	Above	Above	63	
300	Maplewood Meadows	37	\$291	\$1,669	Above		49	
Average Mo Income All Family Units				\$1,415				

Elderly/Disabled (Mixed) Projects**								
400	Parkview	149	\$268	\$959	N/A		68	68
500	Lindeborg	37	\$242	\$1,021	N/A		65	
500	Veneta Villa	49	\$218	\$1,051	N/A		69	67
600	Cresview Villa	13	\$194	\$886	N/A		77	
600	Riverview Terrace	59	\$149	\$787	N/A		86	
600	Cresview Villa	18	\$248	\$1,167	N/A		33	65

Target- Established Income Range (EIR) = \$1080 - \$1461

\*Units per reporting period based on Report - Tenant Stats - Concentration Sum by Project

\*\*Analysis not required In these complexes

\*\*\* Two significantly high income families

Income Rates 2015 -

<https://www.huduser.gov/portal/datasets/il/il2015/2015summary.odn>

Analysis Results

1. All AMP's required for analysis (Family) are below 70 % VLI guidelines.
2. AMP 200 and 300 Scattered sites, by nature already encourage deconcentration. Income in these Complexes/AMP's is generally above the EIR
3. AMP 200 overall is within the EIR. Part of the Mckenzie Village complex is within the EIR and part is slightly below the EIR. Recommend watching this individual complex during the next FY to determine if income targeting should be directed at this complex

Public Housing - FY15  
Income Summary by Project - Income Mixing Analysis

Family Complexes

AMP	Project	Units*	Ave Rent	Ave Income PUM	% Very Low Income	% Very Low Income by AMP (for Income Mixing Analysis)
100	Laurelwood	29	\$276	\$1,279	59	59
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200	Mckenzie Village	22	\$234	\$1,039	77	
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500	Veneta Villa	49	\$218	\$1,051	69	
600	Cresview Villa	13	\$194	\$886	77	65
600	Riverview Terrace	59	\$149	\$787	86	
600	Cresview Villa	18	\$248	\$1,167	33	

\*Units per reporting period based on Report - Tenant Stats - Concentration Sum by Project

\*\*Analysis not required in these complexes

\*\*\* To significantly high income families

Analysis Results

1. All AMP's required for analysis (Family) are below 70 % VLI guidelines. No Income Mixing strategies required at this time.
2. HACSA may want to consider a preference or other strategies to attract higher income applicants in Mckenzie Village to ensure future compliance

By AMP. OK

Public Housing - FY15

Income Summary by Project - For Income Targeting Review

Goal: 40% of new admissions meet the Extremely Low Income Limit (30%)

AMP	Project	# of New Admissions	% Very Low Income (50%)	% Extremely Low Income by AMP (for Income Mixing Analysis)	Meeting or Not Meeting Target
100	Laurelwood	5	80	20	
200	Mckenzie Village				
200	Mckenzie Village				
200	Scattered Site 6-15				
200	Pengra Court				
200	Scattered Site 6-17	37	16	73	
300	Scattered Site 6-15				
300	Scattered Site 6-16				
300	Scattered Site 6-17				
300	Scattered Site 6-10***				
300	Scattered Site 6-23				
300	Maplewood Meadows	18	6	61	
400	Parkview	19	32	53	
500	Lindeborg				
500	Veneta Villa	10	30	50	
600	Cresview Villa				
600	Riverview Terrace				
600	Cresview Villa	21	19	76	
	<b>Total</b>	<b>110</b>	<b>22</b>	<b>65</b>	

**Analysis Results**

All AMP's except AMP 100 met targeting. No action taken at this time. Will re-evaluate if AMP 100 falls in the red next FY

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

FY 2015  
Admissions

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

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Name	Mem	Rent	Income	Income Excluded	Median Inc Pct	#Fam	Race	Eth	BRs	Dis.	Eld
110		29233	1630265	170317							

**Summary Statistics**

\*\*Report should be Run For HEAD Only for Accurate Counts/Pcts \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	71	64.5455%	728547	10261	13844	195
Num Of Families - 50% of Median	24	21.8182%	429484	17895	7749	323
Num Of Families - 80% of Median	14	12.7273%	422240	30160	7231	517
Num Of Families - Not Low	1	0.9091%	49994	49994	409	409
<b>Totals:</b>	<b>110</b>		<b>1630265</b>		<b>29233</b>	

Tax Credit Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - Tier - 1 (30%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)		0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low		0.0000%	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0.00</b>	

Elderly/Disability/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	26	23.6364%	368253	14164	6794	261
Families With Children	47	42.7273%	818268	17410	12880	274
Families With Disabilities	52	47.2727%	628363	12084	11804	227

Racial/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income
White	102	92.7273%	1536665	15065
Black/African American	7	6.3636%	112638	16091
Native American Indian/Alaska Native	4	3.6364%	38028	9507
Asian	0	0.0000%	0	0
Pacific Islander/Native Hawaiian	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	11	10.0000%	247259	22478
Males	19	17.2727%		
Females	91	82.7273%		

Characteristics By Bedroom Size	Count	PCT
0 BR	3	2.7273%
1 BR	50	45.4545%
2 BR	30	27.2727%
3 BR	25	22.7273%
4 BR	2	1.8182%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>110</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

(\*200(A) McKenzie Village -002; 200(B) McKenzie Village 2 - 003; 200(C) Scattered Sites, Spfld - 015; 200(D) Pengra Court - 016; 200(E) Scattered Sites, Spfld - 017; 300(A) Scattered Sites, Eug - 015; 300(B) Scattered Sites - 016; 300(C) Scattered Sites, Eug - 017; 300(D) Scattered Sites - 020; 300(E) Scattered Sites - 023; 300(F) Maplewood

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pct	#Fam	Race	Eth	BRs	Dis.	Eld
5		901	86899	10400							

Summary Statistics

\*\*Report should be Run For HEAD Only for Accurate Counts/Pets \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	1	20.0000%	5676	5676	45	45
Num Of Families - 50% of Median	4	80.0000%	81223	20306	856	214
Num Of Families - 80% of Median		0.0000%	0	0	0	0
Num Of Families - Not Low		0.0000%	0	0	0	0
<b>Totals:</b>	<b>5</b>		<b>86899</b>		<b>901</b>	

Tax Credit Income Analysis

Num Of Families - Tier - 1 (30%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)		0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low		0.0000%	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0.00</b>	

Elderly/Disability/Children Analysis

Elderly Families	2	40.0000%	34680	17340	297	149
Families With Children	2	40.0000%	33023	16512	498	249
Families With Disabilities	1	20.0000%	19196	19196	106	106

Racial/Ethnic/Gender Analysis

\*\*HOM can have multiple selection for Race

White	5	100.0000%	86899	17380
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Native Hawaiian	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	0	0.0000%	0	0
Males	0	0.0000%		
Females	5	100.0000%		

Characteristics By Bedroom Size

\*\*Should be Run For HEAD Only for Accurate Counts/Pets

0 BR	0	0.0000%
1 BR	1	20.0000%
2 BR	3	60.0000%
3 BR	1	20.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>5</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

(AMP 100 - Laurelwood Homes - 001)

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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<u>Name</u>	<u>Mem</u>	<u>Rent</u>	<u>Income</u>	<u>Income Excluded</u>	<u>Median Inc Pct</u>	<u>#Fam</u>	<u>Race</u>	<u>Eth</u>	<u>BRs</u>	<u>Dis.</u>	<u>Eld</u>
Meadows - 024,'500(A) Lindborg Place - 005,'500(B) Veneta Villa - 009,'600(A) Cresview Villa - 006,'600(B) Riverview Terrace - 007,'600(C) Cresview Villa - 018,'AMP 100 - Laurelwood Homes - 001,'AMP 400 - Parkview Terrace 004')											

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pct	#Fam	Race	Eth	BRs	Dis.	Eld
37		10822	529348	59768							

**Summary Statistics**

\*\*Report should be Run For HEAD Only for Accurate Counts/Pcts\*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	27	72.9730%	289759	10732	6246	231
Num Of Families - 50% of Median	6	16.2162%	131339	21890	2318	386
Num Of Families - 80% of Median	4	10.8108%	108250	27063	2258	565
Num Of Families - Not Low		0.0000%	0	0	0	0
<b>Totals:</b>	<b>37</b>		<b>529348</b>		<b>10822</b>	

**Tax Credit Income Analysis**

Num Of Families - Tier - 1 (30%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)	0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0.0000%	0.00	0.00	0.00	0

**TxC Totals:** 0 0.00 0.00

**Elderly/Disability/Children Analysis**

Elderly Families	5	13.5135%	58691	11738	1098	220
Families With Children	26	70.2703%	375728	14451	7235	278
Families With Disabilities	11	29.7297%	146339	13304	2802	255

**Racial/Ethnic/Gender Analysis**

\*\*HOH can have multiple selection for Race

White	32	86.4865%	480093	15003
Black/African American	3	8.1081%	45197	15066
Native American Indian/Alaska Native	3	8.1081%	28992	9664
Asian	0	0.0000%	0	0
Pacific Islander/Native Hawaiian	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	5	13.5135%	105799	21160
Males	5	13.5135%		
Females	32	86.4865%		

**Characteristics By Bedroom Size**

\*\*Should be Run For HEAD Only for Accurate Counts/Pcts

0 BR	0	0.0000%
1 BR	6	16.2162%
2 BR	20	54.0541%
3 BR	11	29.7297%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>37</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

(200(A) McKenzie Village -002';200(B) McKenzie Village 2 - 003';200(C) Scattered Sites, Spfld - 015';200(D) Pengra Court - 016';200(E) Scattered Sites, Spfld - 017')

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pct	#Fam	Race	Eth	BRs	Dis.	Eld
18		4001	395581	101493							

Summary Statistics

\*\*Report should be Run For HEAD Only for Accurate Counts/Pets \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	11	61.1111%	156233	14203	1393	127
Num Of Families - 50% of Median	1	5.5556%	24388	24388	0	0
Num Of Families - 80% of Median	6	33.3333%	214960	35827	2608	435
Num Of Families - Not Low		0.0000%	0	0	0	0
<b>Totals:</b>	<b>18</b>		<b>395581</b>		<b>4001</b>	

Tax Credit Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - Tier - 1 (30%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)		0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low		0.0000%	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0.00</b>	

Elderly/Disability/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	0	0.0000%	0	0	0	0
Families With Children	18	100.0000%	395581	21977	4001	222
Families With Disabilities	2	11.1111%	28644	14322	60	30

Racial/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
White	17	94.4444%	367671	21628		
Black/African American	1	5.5556%	27910	27910		
Native American Indian/Alaska Native	0	0.0000%	0	0		
Asian	0	0.0000%	0	0		
Pacific Islander/Native Hawaiian	0	0.0000%	0	0		
Other	0	0.0000%	0	0		
Declined	0	0.0000%	0	0		
Hispanic or Latino	4	22.2222%	123388	30847		
Males	2	11.1111%				
Females	16	88.8889%				

Characteristics By Bedroom Size	Count	PCT
0 BR	0	0.0000%
1 BR	0	0.0000%
2 BR	1	5.5556%
3 BR	15	83.3333%
4 BR	2	11.1111%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>18</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

(\*300(A) Scattered Sites, Eug - 015';300(B) Scattered Sites - 016';300(C) Scattered Sites, Eug - 017';300(D) Scattered Sites - 020';300(E) Scattered Sites - 023';300(F) Maplewood Meadows - 024')

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pct	#Fam	Race	Eth	BRs	Dis.	Eld
19		6114	269427	0							

**Summary Statistics**

\*\*Report should be Run For HEAD Only for Accurate Counts/Pcts \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	10	52.6316%	99998	10000	2268	227
Num Of Families - 50% of Median	6	31.5789%	93703	15617	2288	381
Num Of Families - 80% of Median	3	15.7895%	75726	25242	1558	519
Num Of Families - Not Low		0.0000%	0	0	0	0
<b>Totals:</b>	<b>19</b>		<b>269427</b>		<b>6114</b>	

**Tax Credit Income Analysis**

Num Of Families - Tier - 1 (30%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)		0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low		0.0000%	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0.00</b>	

**Elderly/Disability/Children Analysis**

Elderly Families	8	42.1053%	113534	14192	2626	328
Families With Children	0	0.0000%	0	0	0	0
Families With Disabilities	15	78.9474%	217313	14488	4950	330

**Racial/Ethnic/Gender Analysis**

\*\*HOH can have multiple selection for Race

White	18	94.7368%	260391	14466		
Black/African American	1	5.2632%	9036	9036		
Native American Indian/Alaska Native	0	0.0000%	0	0		
Asian	0	0.0000%	0	0		
Pacific Islander/Native Hawaiian	0	0.0000%	0	0		
Other	0	0.0000%	0	0		
Declined	0	0.0000%	0	0		
Hispanic or Latino	0	0.0000%	0	0		
Males	3	15.7895%				
Females	16	84.2105%				

**Characteristics By Bedroom Size**

\*\*Should be Run For HEAD Only for Accurate Counts/Pcts \*\*

0 BR	0	0.0000%				
1 BR	17	89.4737%				
2 BR	2	10.5263%				
3 BR	0	0.0000%				
4 BR	0	0.0000%				
5 BR	0	0.0000%				
6 BR	0	0.0000%				
7 BR	0	0.0000%				
8 BR	0	0.0000%				
over 8 BR	0	0.0000%				
<b>Totals:</b>	<b>19</b>	<b>100.0000%</b>				

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

(\*AMP 400 - Parkview Terrace 004\*)

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pct	#Fam	Race	Eth	BRs	Dis.	Eld
10		2594	163622	0							

**Summary Statistics**

**\*\*Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	5	50.0000%	46932	9386	889	178
Num Of Families - 50% of Median	3	30.0000%	43392	14464	814	271
Num Of Families - 80% of Median	1	10.0000%	23304	23304	482	482
Num Of Families - Not Low	1	10.0000%	49994	49994	409	409
<b>Totals:</b>	<b>10</b>		<b>163622</b>		<b>2594</b>	

Tax Credit Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - Tier - 1 (30%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)		0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low		0.0000%	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0.00</b>	

Elderly/Disability/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	6	60.0000%	112082	18680	1667	278
Families With Children	1	10.0000%	16488	16488	230	230
Families With Disabilities	7	70.0000%	81288	11613	1514	216

Racial/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income
White	10	100.0000%	163622	16362
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Native Hawaiian	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	1	10.0000%	9036	9036
Males	6	60.0000%		
Females	4	40.0000%		

Characteristics By Bedroom Size	Count	PCT
0 BR	3	30.0000%
1 BR	5	50.0000%
2 BR	2	20.0000%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>10</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

(500(A) Lindborg Place - 005; 500(B) Veneta Villa - 009)

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pet	#Fam	Race	Eth	BRs	Dis.	Eld
21		3016	204835	9230							

Summary Statistics

\*\*Report should be Run For HEAD Only for Accurate Counts/Pets \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	16	76.1905%	124782	7799	1956	122
Num Of Families - 50% of Median	4	19.0476%	59527	14882	1060	265
Num Of Families - 80% of Median	1	4.7619%	20526	20526	0	0
Num Of Families - Not Low		0.0000%	0	0	0	0
<b>Totals:</b>	<b>21</b>		<b>204835</b>		<b>3016</b>	

Tax Credit Income Analysis

Num Of Families - Tier - 1 (30%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)	0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0.0000%	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>	<b>0.00</b>			<b>0.00</b>

Elderly/Disability/Children Analysis

Elderly Families	5	23.8095%	63792	12758	637	127
Families With Children	0	0.0000%	0	0	0	0
Families With Disabilities	17	80.9524%	150535	8855	2531	149

Racial/Ethnic/Gender Analysis

\*\*HOH can have multiple selection for Race

White	21	100.0000%	204835	9754
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	1	4.7619%	9036	9036
Asian	0	0.0000%	0	0
Pacific Islander/Native Hawaiian	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	1	4.7619%	9036	9036
Males	5	23.8095%		
Females	16	76.1905%		

Characteristics By Bedroom Size

\*\*Should be Run For HEAD Only for Accurate Counts/Pets

0 BR	0	0.0000%
1 BR	21	100.0000%
2 BR	0	0.0000%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>21</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

('600(A) Cresview Villa - 006','600(B) Riverview Terrace - 007','600(C) Cresview Villa - 018')

Assisted Housing - FY15

Income Summary by Project - For Income Targeting Review

Project	# of New Admissions	% Very Low Income (50%)	% Extremely Low Income	Target	Meeting or Not Meeting Target
Abbie Lane - S8	6	0%	100%	Overall 75% of admissions at or below the Very Low (up to 25% can meet Low). 40% of admissions in FY at or below the Extremely Low. Up to Very Low	
14 Pines - S8	12	17%	83%		
Village Oaks - S8	7	0%	86%	236 Units - Low S8 - Very Low (40% of S8 Admissions in FY must meet Extremely Low)	

\* VO - had one admissions that did not met the Low income guideline.

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pct	#Fam	Race	Eth	BRs	Dis.	Eld
6		317	63692	5730							

**Summary Statistics**

\*\*Report should be Run For HEAD Only for Accurate Counts/Pets \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	6	100.0000%	63692	10615	317	53
Num Of Families - 50% of Median		0.0000%	0	0	0	0
Num Of Families - 80% of Median		0.0000%	0	0	0	0
Num Of Families - Not Low		0.0000%	0	0	0	0
<b>Totals:</b>	<b>6</b>		<b>63692</b>		<b>317</b>	

**Tax Credit Income Analysis**

Num Of Families - Tier - 1 (30%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)	0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0.0000%	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>	<b>0.00</b>			<b>0.00</b>

**Elderly/Disability/Children Analysis**

Elderly Families	0	0.0000%	0	0	0	0
Families With Children	5	83.3333%	54656	10931	209	42
Families With Disabilities	1	16.6667%	9036	9036	108	108

**Racial/Ethnic/Gender Analysis**

\*\*HOH can have multiple selection for Race

White	6	100.0000%	63692	10615
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Native Hawaiian	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	1	16.6667%	25000	25000
Males	0	0.0000%		
Females	6	100.0000%		

**Characteristics By Bedroom Size**

\*\*Should be Run For HEAD Only for Accurate Counts/Pets

0 BR	0	0.0000%
1 BR	0	0.0000%
2 BR	1	16.6667%
3 BR	5	83.3333%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>6</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

('Abbie Lane')

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

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ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pet	#Fam	Race	Eth	BRs	Dis.	Etd
12		2013	128096	0							

Summary Statistics

\*\*Report should be Run For HEAD Only for Accurate Counts/Pets \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	10	83.3333%	95054	9505	1627	163
Num Of Families - 50% of Median	2	16.6667%	33042	16521	386	193
Num Of Families - 80% of Median		0.0000%	0	0	0	0
Num Of Families - Not Low		0.0000%	0	0	0	0
<b>Totals:</b>	<b>12</b>		<b>128096</b>		<b>2013</b>	

Tax Credit Income Analysis

Num Of Families - Tier - 1 (30%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)		0.0000%	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)		0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low		0.0000%	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0.00</b>	

Elderly/Disability/Children Analysis

Elderly Families	0	0.0000%	0	0	0	0
Families With Children	9	75.0000%	111029	12337	1405	156
Families With Disabilities	2	16.6667%	9591	4796	395	198

Racial/Ethnic/Gender Analysis

\*\*HOH can have multiple selection for Race

White	11	91.6667%	128096	11645
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Native Hawaiian	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	4	33.3333%	34285	8571
Males	2	16.6667%		
Females	10	83.3333%		

Characteristics By Bedroom Size

\*\*Should be Run For HEAD Only for Accurate Counts/Pets

0 BR	0	0.0000%
1 BR	2	16.6667%
2 BR	9	75.0000%
3 BR	1	8.3333%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>12</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

(Fourteen Pines SR)

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donb

Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Summary  
Ten Income Table: 2015 Income Limits

JD

F:\hms\reports\statcnd.qpr

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

Name	Mem	Rent	Income	Income Excluded	Median Inc Pct	#Fam	Race	Eth	BRs	Dis.	Eld
7		870	68342	57154							

**Summary Statistics**

\*\*Report should be Run For HEAD Only for Accurate Counts/Pcts \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	6	85.7143%	29700	4950	925	154
Num Of Families - 50% of Median		0.0000%	0	0	0	0
Num Of Families - 80% of Median		0.0000%	0	0	0	0
Num Of Families - Not Low	1	14.2857%	38642	38642	-55	-55
<b>Totals:</b>	<b>7</b>		<b>68342</b>		<b>870</b>	

**Tax Credit Income Analysis**

Num Of Families - Tier - 1 (30%)	0.0000%	0.00	0.00	0.00	0.00	0
Num Of Families - Tier - 2 (40%)	0.0000%	0.00	0.00	0.00	0.00	0
Num Of Families - Tier - 3 (50%)	0.0000%	0.00	0.00	0.00	0.00	0.00
Num Of Families - Tier - 4 (60%)	0.0000%	0.00	0.00	0.00	0.00	0
Num Of Families - Tier - 5 (80%)	0.0000%	0.00	0.00	0.00	0.00	0
Num Of Families - Not Low	0.0000%	0.00	0.00	0.00	0.00	0
<b>TxC Totals:</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

**Elderly/Disability/Children Analysis**

Elderly Families	0	0.0000%	0	0	0	0
Families With Children	5	71.4286%	29700	5940	769	154
Families With Disabilities	1	14.2857%	0	0	156	156

**Racial/Ethnic/Gender Analysis**

\*\*HOM can have multiple selection for Race

White	6	85.7143%	68342	11390
Black/African American	1	14.2857%	0	0
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Native Hawaiian	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	1	14.2857%	14076	14076
Males	2	28.5714%		
Females	5	71.4286%		

**Characteristics By Bedroom Size**

\*\*Should be Run For HEAD Only for Accurate Counts/Pcts

0 BR	0	0.0000%
1 BR	1	14.2857%
2 BR	6	85.7143%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals:</b>	<b>7</b>	<b>100.0000%</b>

ORDER BY PROJECT\_ID ASC; L\_NAME ASC; F\_NAME ASC; M\_INITIAL ASC

(\*Village Oaks S8')

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
AMP 100 - Laurelwood Homes - 001 (1000/100)	68																				
Proj totals:		8012	445069	338834																	

276

1279

mo. income/unit

29 units

Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

H:\hms\reports\statconq.qrp

Name	Mem	Income			#Fam	Median Inc Pct	Race						Eth	BRs	Dis	Eld
		Rent	Income	Excluded			W	B	N	A	P	O				
	68	8012	445069	338834												

**Public Housing (1000)**  
**Project Summary Statistics**  
**AMP 100 - Laurelwood Homes - 001 (1000/100)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	17	58.6207%	182251	10721	2790	164
Num Of Families - 50% of Median	6	20.6897%	111486	18581	2141	357
Num Of Families - 80% of Median	6	20.6897%	151332	25222	3081	514
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>29</b>		<b>445,069.00</b>		<b>8,012.00</b>	

**Tax Credit - Low Income Analysis**

Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

**Elderly/Disabled/Children Analysis**

Elderly Families	8	27.5862%	109566	13696	2103	263
Families with Children	14	48.2759%	220759	15769	3671	262
Families with Disabilities	16	55.1724%	207486	12968	3877	242

**Race/Ethnic/Gender Analysis**

**\*\*HOH can have multiple selections for Race**

White	66	227.5862%	445069	6743
Black/African American	2	6.8966%	22596	11298
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	3	10.3448%	6072	2024
Pacific Islander/Hawaiian Native	1	3.4483%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	5	17.2414%	0	0
Non-Hispanic or Latino	63	217.2414%	445069	7065
Males	30	103.4483%		
Females	38	131.0345%		

**Bedroom Size Analysis**

**\*\*Should be Run For HEAD Only for Accurate Counts/Pcts**

0 BR	39	134.4828%
1 BR	6	20.6897%
2 BR	14	48.2759%
3 BR	6	20.6897%
4 BR	3	10.3448%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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**Tenant Statistical Reporting**  
**PH - Tenant Stats - Concentration Sum by Proj**  
**By Program/Project/Name**  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
200(A) McKenzie Village -002 (1000/200A)	330																				
Proj totals:		35958	1949070	840285																	

13259

147 units

\$245 rent

\$1104

mo income/mo



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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race												
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld		
Public Housing (1000)																			
200(B) McKenzie Village 2 - 003 (1000/200B)																			
24	Proj totals:	5144	274243	0															

$\div 22 \text{ units} = \$234 \text{ rent}$

$\$1039 \text{ Ave Income/mo/unit}$

Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

H:\hms\reports\statconq.qpr

Name	Mem	Income			#Fam	Median Inc Pct	Race													
		Rent	Income	Excluded			W	B	N	A	P	O	D	Eth	BRs	Dis	Eld			
	24	5144	274243	0																

*Public Housing (1000)*  
*Project Summary Statistics* 200(B) McKenzie Village 2 - 003 (1000/200B)  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

<i>Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 30% of Median	17	77.2727%	163285	9605	3110	183
Num Of Families - 50% of Median	3	13.6364%	47560	15853	934	311
Num Of Families - 80% of Median	1	4.5455%	29498	29498	550	550
Num Of Families - Not Low	1	4.5455%	33900	33900	550	550
<b>Project Totals:</b>	<b>22</b>		<b>274,243.00</b>		<b>5,144.00</b>	

*Tax Credit - Low Income Analysis*

Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

*Elderly/Disabled/Children Analysis*

Elderly Families	13	59.0909%	140637	10818	2760	212
Families with Children	1	4.5455%	5184	5184	72	72
Families with Disabilities	17	77.2727%	174014	10236	3332	196

*Race/Ethnic/Gender Analysis*

**\*\*HOH can have multiple selections for Race**

White	21	95.4545%	219698	10462
Black/African American	2	9.0909%	45509	22755
Native American Indian/Alaska Native	1	4.5455%	9036	9036
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	9036	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	0	0.0000%	0	0
Non-Hispanic or Latino	24	109.0909%	274243	11427
Males	8	36.3636%		
Females	16	72.7273%		

*Bedroom Size Analysis*

**\*\*Should be Run For HEAD Only for Accurate Counts/Pcts**

0 BR	2	9.0909%
1 BR	22	100.0000%
2 BR	0	0.0000%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race					Eth	BRs	Dis	Eld			
							W	B	N	A	P					O	D	
Public Housing (1000)																		
200(C) Scattered Sites, Spfld - 015 (1000/200C)																		
23	Proj totals:	3301	207800	110765														

10 units

\$330

\$1732 Ave income / mo / unit

SS# do not need to analyze deconcentration



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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
200(D) Pengra Court - 016 (1000/200D)																					
48	Proj totals:	5145	292284	214361																	

21 unit = \$245 rent  
\$1150 / unit / mo - Ave  
Income

Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race													
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld			
	48	5145	292284	214361																

*Project Summary Statistics*  
**Public Housing (1000)**  
**200(D) Pengra Court - 016 (1000/200D)**  
\*\* Report should be Run For HEAD Only for Accurate Counts/Pctis \*\*

<i>Low Income Analysis</i>	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	13	61.9048%	122340	9411	2142	165
Num Of Families - 50% of Median	7	33.3333%	143874	20553	2407	344
Num Of Families - 80% of Median	1	4.7619%	26070	26070	596	596
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>21</b>		<b>292,284.00</b>		<b>5,145.00</b>	

<i>Tax Credit - Low Income Analysis</i>	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

<i>Elderly/Disabled/Children Analysis</i>	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	2	9.5238%	25385	12693	494	247
Families with Children	15	71.4286%	202993	13533	3459	231
Families with Disabilities	6	28.5714%	36168	6028	667	111

<i>Race/Ethnic/Gender Analysis</i>	Count	PCT	Income	Avg Income
<i>**HOH can have multiple selections for Race</i>				
White	47	223.8095%	292284	6219
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	1	4.7619%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	4	19.0476%	20463	5116
Non-Hispanic or Latino	44	209.5238%	271821	6178
Males	13	61.9048%		
Females	35	166.6667%		

<i>Bedroom Size Analysis</i>	Count	PCT
<i>**Should be Run For HEAD Only for Accurate Counts/Pctis</i>		
0 BR	27	128.5714%
1 BR	0	0.0000%
2 BR	16	76.1905%
3 BR	5	23.8095%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race					Eth	BRs	Dis	Eld		
							W	B	N	A	P					O	D
Public Housing (1000) 200(E) Scattered Sites, Spfld - 017 (1000/200E)	29																
Proj totals:		2241	184909	14754													

\$ 2241  
\$ 1541/unit/mo - ave income  
10 units

SS ≠ no need to analyze  
deconcentration

Tenant Statistical Reporting  
PII - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race	Eth	BRs	Dis	Eld
		2241	184909	14754			W B N A P O D				

*Project Summary Statistics*  
**Public Housing (1000)**  
**200(E) Scattered Sites, Spfld - 017 (1000/200E)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	5	50.0000%	40887	8177	53	11
Num Of Families - 50% of Median	2	20.0000%	33800	16900	400	200
Num Of Families - 80% of Median	3	30.0000%	110222	36741	1788	596
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>10</b>		<b>184,909.00</b>		<b>2,241.00</b>	

Tax Credit - Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

Elderly/Disabled/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	1	10.0000%	0	0	0	0
Families with Children	5	50.0000%	120386	24077	1676	335
Families with Disabilities	4	40.0000%	28416	7104	137	34

Race/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income
White	25	250.0000%	183997	7360
Black/African American	3	30.0000%	912	304
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	6	60.0000%	51558	8593
Non-Hispanic or Latino	23	230.0000%	133351	5798
Males	10	100.0000%		
Females	19	190.0000%		

Bedroom Size Analysis	Count	PCT
0 BR	19	190.0000%
1 BR	0	0.0000%
2 BR	3	30.0000%
3 BR	5	50.0000%
4 BR	2	20.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
300(A) Scattered Sites, Eug - 015 (1000/300A)																					
46	Proj totals:	2744	274903	383086																	

units = 16      rent \$172  
\$ 1432 /unit /mo - Ave Income

Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

H:\hms\reports\statconq.qrp

Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race	Eth	BRs	Dis	Ehl
	46	2744	274903	183086			W B N A P O D				

**Public Housing (1000)**  
**Project Summary Statistics**  
**300(A) Scattered Sites, Eug - 015 (1000/300A)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pctis \*\***

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	9	56.2500%	88190	9799	56	6
Num Of Families - 50% of Median	2	12.5000%	43137	21569	701	351
Num Of Families - 80% of Median	5	31.2500%	143576	28715	1987	397
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>16</b>		<b>274,903.00</b>		<b>2,744.00</b>	

Tax Credit - Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

Elderly/Disabled/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	0	0.0000%	0	0	0	0
Families with Children	13	81.2500%	208035	16003	1464	113
Families with Disabilities	4	25.0000%	69009	17252	786	197

Race/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income
White	46	287.5000%	274903	5976
Black/African American	1	6.2500%	0	0
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	2	12.5000%	24045	12023
Non-Hispanic or Latino	44	275.0000%	250858	5701
Males	12	75.0000%		
Females	34	212.5000%		

**\*\*HOH can have multiple selections for Race**

Bedroom Size Analysis	Count	PCT
0 BR	30	187.5000%
1 BR	0	0.0000%
2 BR	6	37.5000%
3 BR	8	50.0000%
4 BR	2	12.5000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

**\*\*Should be Run For HEAD Only for Accurate Counts/Pctis**

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

H:\hms\reports\statconq.qrp

Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
300(B) Scattered Sites - 016 (1000/300B)																					
35	Proj totals:	1979	160954	31722																	

9 units = \$ ~~154220~~ (220)

\$ 149/unit /mo average income

SS ≠ do not need to analyze

**Tenant Statistical Reporting**  
**PH - Tenant Stats - Concentration Sum by Proj**  
**By Program/Project/Name**  
Ten Income Table: 2015 Income Limits

H:\hms\reports\statconq.qrp

Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race													
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld			
35		1979	160954	31722																

*Public Housing (1000)*  
**Project Summary Statistics**      **300(B) Scattered Sites - 016 (1000/300B)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	6	66.6667%	85232	14205	707	118
Num Of Families - 50% of Median	1	11.1111%	15132	15132	197	197
Num Of Families - 80% of Median	2	22.2222%	60590	30295	1075	538
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>9</b>		<b>160,954.00</b>		<b>1,979.00</b>	

Tax Credit - Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project Tx C Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

Elderly/Disabled/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	1	11.1111%	24587	24587	409	409
Families with Children	7	77.7778%	121235	17319	1373	196
Families with Disabilities	5	55.5556%	65115	13023	985	197

Race/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income
White	28	311.1111%	142306	5082
Black/African American	7	77.7778%	18648	2664
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	1	11.1111%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	10	111.1111%	47420	4742
Non-Hispanic or Latino	25	277.7778%	113534	4541
Males	18	200.0000%		
Females	17	188.8889%		

Bedroom Size Analysis	Count	PCT
0 BR	26	288.8889%
1 BR	0	0.0000%
2 BR	3	33.3333%
3 BR	3	33.3333%
4 BR	3	33.3333%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

H:\hms\reports\statconq.qrp

Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
300(C) Scattered Sites, Eng - 017 (1000/300C)	49																				
Proj totals:		2519	260561	121578																	

17 units \$148 - rent  
\$1277 ave income / mo / unit

SS ≠ do not need to  
analyze deconcentration

**Tenant Statistical Reporting**  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income		#Fam	Median Inc Pct	Race					Eth	BRs	Dis	Eld
			Included	Excluded			W	B	N	A	P				
	49	2519	260561	121578											

*Public Housing (1000)*  
**Project Summary Statistics**     **300(C) Scattered Sites, Eug - 017 (1000/300C)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

<i>Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 30% of Median	13	76.4706%	113563	8736	598	46
Num Of Families - 50% of Median	1	5.8824%	16432	16432	205	205
Num Of Families - 80% of Median	2	11.7647%	61303	30652	686	343
Num Of Families - Not Low	1	5.8824%	69263	69263	1030	1030
<b>Project Totals:</b>	<b>17</b>		<b>260,561.00</b>		<b>2,519.00</b>	

<i>Tax Credit - Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

<i>Elderly/Disabled/Children Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Elderly Families	4	23.5294%	43240	10810	335	84
Families with Children	11	64.7059%	175733	15976	1779	162
Families with Disabilities	10	58.8235%	54204	5420	202	20

<i>Race/Ethnic/Gender Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>
White	44	258.8235%	225341	5121
Black/African American	5	29.4118%	26244	5249
Native American Indian/Alaska Native	1	5.8824%	8976	8976
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	8976	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	18	105.8824%	116587	6477
Non-Hispanic or Latino	31	182.3529%	143974	4644
Males	19	111.7647%		
Females	30	176.4706%		

<i>Bedroom Size Analysis</i>	<u>Count</u>	<u>PCT</u>
0 BR	32	188.2353%
1 BR	0	0.0000%
2 BR	8	47.0588%
3 BR	9	52.9412%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race												
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld		
Public Housing (1000)																			
300(D) Scattered Sites - 020 (1000/300D)																			
40	Proj totals:	2594	211263	305839															

10 unit

\$259 rent

\$1761 ave income pum

Tenant Statistical Reporting  
PII - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mcm	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race										
							W	E	N	A	P	O	D	Eth	BRs	Dis	Eld
40		2594	211263	305839													

*Public Housing (1000)*  
*Project Summary Statistics 300(D) Scattered Sites - 020 (1000/300D)*  
*\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\**

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	8	80.0000%	105523	13190	849	106
Num Of Families - 50% of Median	0	0.0000%	0	0	0	0
Num Of Families - 80% of Median	0	0.0000%	0	0	0	0
Num Of Families - Not Low	2	20.0000%	105740	52870	1745	873
<b>Project Totals:</b>	<b>10</b>		<b>211,263.00</b>		<b>2,594.00</b>	

*Tax Credit - Low Income Analysis*

Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

*Elderly/Disabled/Children Analysis*

Elderly Familes	1	10.0000%	37270	37270	695	695
Families with Children	8	80.0000%	105523	13190	849	106
Families with Disabilities	2	20.0000%	15972	7986	150	75

*Race/Ethnic/Gender Analysis*

*\*\*HOH can have multiple selections for Race*

White	35	350.0000%	201123	5746
Black/African American	3	30.0000%	10140	3380
Native American Indian/Alaska Native	4	40.0000%	5538	1385
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	5538	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	8	80.0000%	68470	8559
Non-Hispanic or Latino	32	320.0000%	142793	4462
Males	14	140.0000%		
Females	26	260.0000%		

*Bedroom Size Analysis*

*\*\*Should be Run For HEAD Only for Accurate Counts/Pcts*

0 BR	30	300.0000%
1 BR	0	0.0000%
2 BR	0	0.0000%
3 BR	10	100.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	R	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
300(E) Scattered Sites - 023 (1000/300E)																					
140	Proj totals:	8098	718714	978928																	

40 units \$202 rent  
1497 ave income /  
PDM

SS ≠ donot need to  
analyze deconcentration



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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Per	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
300(F) Maplewood Meadows - 024 (1000/300F)																					
122	Proj totals:		10768	741200			373712														

37 units  
\$291  
\$1,669 ave income P.U.M

**Tenant Statistical Reporting**  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race													
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld			
122		10768	741200	373712																

*Project Summary Statistics*  
**Public Housing (1000)**  
**300(F) Maplewood Meadows - 024 (1000/300F)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

<i>Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 30% of Median	18	48.6486%	152228	8457	1854	103
Num Of Families - 50% of Median	5	13.5135%	112516	22503	1733	347
Num Of Families - 80% of Median	11	29.7297%	338748	30795	6073	552
Num Of Families - Not Low	3	8.1081%	137708	45903	1108	369
<b>Project Totals:</b>	<b>37</b>		<b>741,200.00</b>		<b>10,768.00</b>	

<i>Tax Credit - Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

<i>Elderly/Disabled/Children Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Elderly Families	1	2.7027%	47674	47674	800	800
Families with Children	29	78.3784%	527646	18195	7480	258
Families with Disabilities	12	32.4324%	208276	17356	2778	232

<i>Race/Ethnic/Gender Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>
<i>**HOH can have multiple selections for Race</i>				
White	107	289.1892%	646246	6040
Black/African American	16	43.2432%	94954	5935
Native American Indian/Alaska Native	4	10.8108%	48298	12075
Asian	4	10.8108%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	48298	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	37	100.0000%	172042	4650
Non-Hispanic or Latino	85	229.7297%	569158	6696
Males	44	118.9189%		
Females	78	210.8108%		

<i>Bedroom Size Analysis</i>	<u>Count</u>	<u>PCT</u>
<i>**Should be Run For HEAD Only for Accurate Counts/Pets</i>		
0 BR	85	229.7297%
1 BR	0	0.0000%
2 BR	0	0.0000%
3 BR	34	91.8919%
4 BR	3	8.1081%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
<i>Public Housing (1000)</i>																					
<i>AMP 400 - Parkview Terrace 004 (1000/400)</i>																					
163	Proj totals:	39980	1714740	39845																	

149 units

\$ 268 rent

\$ 959 Ave income P.O.M.

Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income		#Fam	Median Inc Pct	Race											
			Excluded	Income			W	B	N	A	P	O	D	Eth	BRs	Dis	Eld	
163		39980		1714740		39845												

**Project Summary Statistics**  
**Public Housing (1000)**  
**AMP 400 - Parkview Terrace 004 (1000/400)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pets \*\***

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	102	68.4564%	928844	9106	21755	213
Num Of Families - 50% of Median	38	25.5034%	568656	14965	13694	360
Num Of Families - 80% of Median	9	6.0403%	217240	24138	4531	503
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>149</b>		<b>1,714,740.00</b>		<b>39,980.00</b>	

**Tax Credit - Low Income Analysis**

Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

**Elderly/Disabled/Children Analysis**

Elderly Families	69	46.3087%	782167	11336	18245	264
Families with Children	0	0.0000%	0	0	0	0
Families with Disabilities	136	91.2752%	1486906	10933	34494	254

**Race/Ethnic/Gender Analysis**

**\*\*HOH can have multiple selections for Race**

White	154	103.3557%	1625665	10556
Black/African American	4	2.6846%	37212	9303
Native American Indian/Alaska Native	2	1.3423%	25393	12697
Asian	3	2.0134%	26470	8823
Pacific Islander/Hawaiian Native	0	0.0000%	25393	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	4	2.6846%	32319	8080
Non-Hispanic or Latino	159	106.7114%	1682421	10581
Males	64	42.9530%		
Females	99	66.4430%		

**Bedroom Size Analysis**

**\*\*Should be Run For HEAD Only for Accurate Counts/Pets**

0 BR	14	9.3960%
1 BR	129	86.5772%
2 BR	20	13.4228%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct.	Race				Eth	BRs	Dis	Eld				
							W	B	N	A								
Public Housing (1000)																		
500(A) Lindborg Place - 005 (1000/500A)																		
38	Proj totals:	8940	453164	15096														

37 unit  
\$ 242 rent  
\$ 1621 ave rent P.O.M.

Tenant Statistical Reporting  
PII - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race	Eth	BRs	Dis	Eld
		8940	453164	15096			W B N A P O D				

**Public Housing (1000)**  
**Project Summary Statistics**  
**500(A) Lindborg Place - 005 (1000/500A)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	24	64.8649%	213925	8914	4443	185
Num Of Families - 50% of Median	10	27.0270%	146927	14693	3062	306
Num Of Families - 80% of Median	2	5.4054%	42318	21159	885	443
Num Of Families - Not Low	1	2.7027%	49994	49994	550	550
<b>Project Totals:</b>	<b>37</b>		<b>453,164.00</b>		<b>8,940.00</b>	

Tax Credit - Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

Elderly/Disabled/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	20	54.0541%	277771	13889	5347	267
Families with Children	0	0.0000%	0	0	0	0
Families with Disabilities	29	78.3784%	302692	10438	6260	216

Race/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income
White	36	97.2973%	425120	11809
Black/African American	1	2.7027%	12264	12264
Native American Indian/Alaska Native	1	2.7027%	15780	15780
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	1	2.7027%	15780	15780
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	1	2.7027%	9036	9036
Non-Hispanic or Latino	37	100.0000%	444128	12003
Males	14	37.8378%		
Females	24	64.8649%		

\*\*HOH can have multiple selections for Race

Bedroom Size Analysis	Count	PCT
0 BR	1	2.7027%
1 BR	37	100.0000%
2 BR	0	0.0000%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

\*\*Should be Run For HEAD Only for Accurate Counts/Pcts

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race														
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
Public Housing (1000)																					
500(B) Veneta Villa - 009 (1000/500B)																					
87	Proj totals:	10681	618096	92304																	

49 unit \$ 218 rent  
\$ 1051 Ave Income / P. U. M.

**Tenant Statistical Reporting**  
**PH - Tenant Stats - Concentration Sum by Proj**  
**By Program/Project/Name**  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income		#Fam	Median Inc Pct	Race														
			Income	Excluded			W	B	N	A	P	O	D	Eth	BRs	Dis	Eld				
87		10681	618096	92304																	

*Public Housing (1000)*  
**Project Summary Statistics**      **500(B) Veneta Villa - 009 (1000/500B)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

<i>Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 30% of Median	34	69.3878%	320119	9415	4951	146
Num Of Families - 50% of Median	11	22.4490%	183032	16639	3379	307
Num Of Families - 80% of Median	4	8.1633%	114945	28736	2351	588
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>49</b>		<b>618,096.00</b>		<b>10,681.00</b>	

<i>Tax Credit - Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

<i>Elderly/Disabled/Children Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Elderly Families	18	36.7347%	212711	11817	3872	215
Families with Children	12	24.4898%	159223	13269	2430	203
Families with Disabilities	36	73.4694%	381245	10590	6897	192

<i>Race/Ethnic/Gender Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>
<i>**HOH can have multiple selections for Race</i>				
White	85	173.4694%	609120	7166
Black/African American	1	2.0408%	8976	8976
Native American Indian/Alaska Native	2	4.0816%	0	0
Asian	1	2.0408%	11088	11088
Pacific Islander/Hawaiian Native	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	7	14.2857%	12839	1834
Non-Hispanic or Latino	80	163.2653%	605257	7566
Males	29	59.1837%		
Females	58	118.3673%		

<i>Bedroom Size Analysis</i>	<u>Count</u>	<u>PCT</u>
<i>**Should be Run For HEAD Only for Accurate Counts/Pcts</i>		
0 BR	56	114.2857%
1 BR	10	20.4082%
2 BR	6	12.2449%
3 BR	13	26.5306%
4 BR	2	4.0816%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race							Eth	BRs	Dis	Eld
							W	B	N	A	P	O	D				
Public Housing (1000) 600(A) Cresview Villa - 006 (1000/600A)	14																
Proj totals:		2527	138243	0													

13 units

\$194 rent

\$ 886 Ave income P.O.M.

Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race	Eth	BRs	Dis	Eld
	14	2527	138243	0			W B N A P O D				

**Public Housing (1000)**  
**Project Summary Statistics**  
**600(A) Cresview Villa - 006 (1000/600A)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pets \*\***

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	10	76.9231%	84902	8490	1424	142
Num Of Families - 50% of Median	2	15.3846%	33444	16722	693	347
Num Of Families - 80% of Median	1	7.6923%	19897	19897	410	410
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>13</b>		<b>138,243.00</b>		<b>2,527.00</b>	

Tax Credit - Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

Elderly/Disabled/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Familes	5	38.4615%	43746	8749	748	150
Families with Children	0	0.0000%	0	0	0	0
Families with Disabilities	12	92.3077%	120651	10054	2229	186

Race/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income
White	13	100.0000%	129447	9957
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	1	7.6923%	8796	8796
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	8796	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	0	0.0000%	0	0
Non-Hispanic or Latino	14	107.6923%	138243	9875
Males	4	30.7692%		
Females	10	76.9231%		

Bedroom Size Analysis	Count	PCT
0 BR	1	7.6923%
1 BR	13	100.0000%
2 BR	0	0.0000%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race				Eth	BRs	Dis	Eld
							W	B	N	A				
Public Housing (1000) 600(B) Riverview Terrace - 007 (1000/600B)	61													
Proj totals:		8817	557535	2400										

59 units

\$149 rent

\$ 787 ave income P.O.M

**Tenant Statistical Reporting**  
**PH - Tenant Stats - Concentration Sum by Proj**  
**By Program/Project/Name**  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race						Eth	BRs	Dis	Eld
							W	B	N	A	P	O				
	61	8817	557535	2400												

*Public Housing (1000)*  
**Project Summary Statistics**      **600(B) Riverview Terrace - 007 (1000/600B)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

<i>Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 30% of Median	51	86.4407%	433818	8506	6479	127
Num Of Families - 50% of Median	7	11.8644%	99357	14194	1846	264
Num Of Families - 80% of Median	1	1.6949%	24360	24360	492	492
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>59</b>		<b>557,535.00</b>		<b>8,817.00</b>	

<i>Tax Credit - Low Income Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

<i>Elderly/Disabled/Children Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>	<u>Rents</u>	<u>Avg Rent</u>
Elderly Familes	20	33.8983%	201406	10070	3294	165
Families with Children	0	0.0000%	0	0	0	0
Families with Disabilities	55	93.2203%	496665	9030	7752	141

<i>Race/Ethnic/Gender Analysis</i>	<u>Count</u>	<u>PCT</u>	<u>Income</u>	<u>Avg Income</u>
<b>**HOH can have multiple selections for Race</b>				
White	61	103.3898%	557535	9140
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	3	5.0847%	27132	9044
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	27132	0
Other	0	0.0000%	0	0
Declined	1	1.6949%	9036	9036
Hispanic or Latino	1	1.6949%	9036	9036
Non-Hispanic or Latino	60	101.6949%	548499	9142
Males	21	35.5932%		
Females	40	67.7966%		

<i>Bedroom Size Analysis</i>	<u>Count</u>	<u>PCT</u>
<b>**Should be Run For HEAD Only for Accurate Counts/Pcts</b>		
0 BR	2	3.3898%
1 BR	59	100.0000%
2 BR	0	0.0000%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

**Tenant Statistical Reporting**  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race										
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld
	18	4455	252032	0													

*Public Housing (1000)*  
**Project Summary Statistics**  
**600(C) Cresview Villa - 018 (1000/600C)**  
**\*\* Report should be Run For HEAD Only for Accurate Counts/Pcts \*\***

<i>Low Income Analysis</i>	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	6	33.3333%	47784	7964	635	106
Num Of Families - 50% of Median	10	55.5556%	163805	16381	2999	300
Num Of Families - 80% of Median	2	11.1111%	40443	20222	821	411
Num Of Families - Not Low	0	0.0000%	0	0	0	0
<b>Project Totals:</b>	<b>18</b>		<b>252,032.00</b>		<b>4,455.00</b>	

<i>Tax Credit - Low Income Analysis</i>	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Project TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

<i>Elderly/Disabled/Children Analysis</i>	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	8	44.4444%	127532	15942	2332	292
Families with Children	0	0.0000%	0	0	0	0
Families with Disabilities	14	77.7778%	184046	13146	3194	228

<i>Race/Ethnic/Gender Analysis</i>	Count	PCT	Income	Avg Income
<b>**HOH can have multiple selections for Race</b>				
White	18	100.0000%	252032	14002
Black/African American	0	0.0000%	0	0
Native American Indian/Alaska Native	0	0.0000%	0	0
Asian	0	0.0000%	0	0
Pacific Islander/Hawaiian Native	0	0.0000%	0	0
Other	0	0.0000%	0	0
Declined	0	0.0000%	0	0
Hispanic or Latino	0	0.0000%	0	0
Non-Hispanic or Latino	18	100.0000%	252032	14002
Males	6	33.3333%		
Females	12	66.6667%		

<i>Bedroom Size Analysis</i>	Count	PCT
<b>**Should be Run For HEAD Only for Accurate Counts/Pcts</b>		
0 BR	0	0.0000%
1 BR	18	100.0000%
2 BR	0	0.0000%
3 BR	0	0.0000%
4 BR	0	0.0000%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%

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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race													
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld			
Public Housing (1000) 600(C) Cresview Villa - 018 (1000/600C)	18																			
	Proj totals:	4455	252032	0																

18 units

\$248 rent

\$1167 Ave income / P.U.M.

**Tenant Statistical Reporting**  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race													
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld			
1335		163903	9454780	3863509																

**Program Summary Statistics      Public Housing (1000)**  
\*\*Should be Run For HEAD Only for Accurate Counts/Pcts\*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	474	68.3983%	4428933	152	71951	152
Num Of Families - 50 % of Median	133	19.1919%	2267546	17049	44569	335
Num Of Families - 80% of Median	72	10.3896%	2065885	28693	37444	520
Num Of Families - Not Low	14	2.0202%	692416	49458	9939	710
<b>Program Totals:</b>	<b>693</b>		<b>9454780</b>		<b>163903</b>	

Tax Credit Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Program TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

Elderly/Disabled/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	205	29.5815%	2480141	12098	48634	103
Families with Children	234	33.7662%	3734086	15958	163903	700
Families with Disabilities	471	67.9654%	4979316	10572	94263	200

Race/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
White	1237	178.4993%	8931310	7220		
Black/African American	78	11.2554%	216594	2777		
American Ind/Alaska Native	41	5.9163%	263448	6426		
Asian	7	1.0101%	52666	7524		
Pacific Islander/Native Hawaiian	8	1.1544%	26176	3272		
Other	1	0.1443%	5496	5496		
Declined	1	0.1443%	9036	9036		
Hispanic or Latino	204	29.4372%	1058290	5188		
Non-Hispanic or Latino	1131	163.2035%	8396490	41159		
Males	490	70.7071%				
Females	845	121.9336%				

Bedroom Size Analysis	Count	PCT
0 BR	660	95.2381%
1 BR	324	46.7532%
2 BR	170	24.5310%
3 BR	164	23.6652%
4 BR	17	2.4531%
5 BR	0	0.0000%
6 BR	0	0.0000%
7 BR	0	0.0000%
8 BR	0	0.0000%
over 8 BR	0	0.0000%
<b>Totals</b>	<b>660</b>	

Totals	1335	Rpt totals:	163903	9454780	3863509
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Tenant Statistical Reporting  
PH - Tenant Stats - Concentration Sum by Proj  
By Program/Project/Name  
Ten Income Table: 2015 Income Limits

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Name	Mem	Rent	Income	Income Excluded	#Fam	Median Inc Pct	Race										
							W	B	N	A	P	O	D	Eth	BRs	Dis	Eld
Totals	1335	163903	9454780		3863509												

Report Grand Total Summary Statistics

\*\*Should be Run For HEAD Only for Accurate Counts/Pets \*\*

Low Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 30% of Median	474	68.3983%	4428933	9344	71951	152
Num Of Families - 50% of Median	133	19.1919%	2267546	17049	44569	335
Num Of Families - 80% of Median	72	10.3896%	2065885	28693	37444	520
Num Of Families - Not Low	14	2.0202%	692416	49458	9939	710
<b>Grand Totals:</b>	<b>693</b>		<b>9454780</b>		<b>163903</b>	

Tax Credit Income Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Num Of Families - 1 (30%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 2 (40%)	0.00	0.0000%	0.00	0.00	0.00	0
Num Of Families - 3 (50%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 4 (60%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - 5 (80%)	0	0.0000%	0.00	0.00	0.00	0
Num Of Families - Not Low	0	0.0000%	0.00	0.00	0.00	0
<b>Grand TxC Totals:</b>	<b>0</b>		<b>0.00</b>		<b>0</b>	

Elderly/Disabled/Children Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
Elderly Families	205	29.5815%	2480141	12098	48634	237
Families with children	234	33.7662%	3734086	15958	53898	230
Families with Disabilities	471	67.9654%	4979316	10572	94263	200

Race/Ethnic/Gender Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
White	1237	178.4993%	8931310	7220		
Black/African American	78	11.2554%	372370	4774		
Native American Indian/Alaska Native	41	5.9163%	263448	6426		
Asian	13	1.8759%	52666	4051		
Pacific Islander/Native Hawaiian	8	1.1544%	26176	3,272.00		
Other	1	0.1443%	5496	5496		
Declined	1	0.1443%	9036	9036		
Ethnic	204	29.4372%	1058290	5188		
Non-Ethnic	1131	163.2035%	8396490	7424		
Males	490	70.7071%				
Females	845	121.9336%				

Bedroom Size Analysis	Count	PCT	Income	Avg Income	Rents	Avg Rent
0 BR	660	95.2381%				
1 BR	324	46.7532%				
2 BR	170	24.5310%				
3 BR	164	23.6652%				
4 BR	17	2.4531%				
5 BR	0	0.0000%				
6 BR	0	0.0000%				
7 BR	0	0.0000%				
8 BR	0	0.0000%				
over 8 BR	0	0.0000%				

1335

**Element 2.**

Financial Resources.

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HACSA BUDGET – SUMMARY OF RESOURCES - FY 16

DIVISION/ PROGRAM	BEGINNING FUND BALANCE	FEDERAL REVENUE	RENT	INTEREST	OTHER	TOTAL
<b>CSA:</b>						
Weatherization	0	1,288,452			591,875	1,880,327
Development	169,900				1,017,700	1,187,600
FSH	(2,900)		12,000			12,000
Heeran Center	420,653		180,500	100		601,253
Signpost House	226,886		95,200		400	95,600
Shelter + Care	(33,000)	440,000				440,000
ROSS	0	100,508				100,508
FSS	0	205,273				205,273
HACSA Corporate	857,842				32,605	890,447
	<u>1,639,381</u>	<u>2,034,233</u>	<u>287,700</u>	<u>100</u>	<u>1,642,580</u>	<u>5,413,008</u>
<b>HOUSING:</b>						
Conventional	1,379,537	1,747,500	1,802,900		1,322,106	4,872,506
Abbie Lane	270,440	170,700	38,800	200	5,700	215,400
Fourteen Pines	(133,803)	255,200	145,300	100	13,900	414,500
Village Oaks	(80,657)	77,300	267,000		13,500	357,800
Firwood	1,294		520,400	0	10,000	531,694
Capital Fund	0	1,224,430				1,224,430
Norsemen Village	(190,860)	170,000	106,300	100	5,200	281,600
Camas Place	49,990	90,000	127,500		6,600	224,100
Richardson Bridge	184,070		200,300		2,800	203,100
Jacob's Lane	204,895		317,000		1,300	318,300
Laurel Gardens	97,139		166,600	100	2,600	169,300
Walnut Park	23,863		183,100			183,100
The Orchards	916		167,500	0	1,800	169,300
	<u>1,806,824</u>	<u>3,735,130</u>	<u>4,042,700</u>	<u>500</u>	<u>1,385,506</u>	<u>9,165,130</u>
<b>SECTION 8:</b>						
Vouch & MR	639,072	15,959,800				15,959,800
	<u>639,072</u>	<u>15,959,800</u>		<u>0</u>	<u>0</u>	<u>15,959,800</u>
<b>TOTALS</b>	<b>4,085,277</b>	<b>21,729,163</b>	<b>4,330,400</b>	<b>600</b>	<b>3,028,086</b>	<b>30,537,938</b>

H A C S A M E M O R A N D U M

**TO:** HACSA Board of Commissioners

**FROM:** Jacob Fox, Executive Director  
Valerie Warner, Deputy Director  
Vicki Nutter, Finance Manager

**AGENDA ITEM TITLE:** ORDER/In the Matter of Approving the  
Public Housing Operating Budget for the  
Fiscal Year Ending September 30, 2016.

**AGENDA DATE:** September 29, 2015

**I. MOTION**

IT IS MOVED THAT THE ORDER/RESOLUTION BE ADOPTED APPROVING THE PUBLIC HOUSING OPERATING BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016.

**II. ISSUE**

HUD requires the Board to review and approve the Public Housing Operating Budget

**III. DISCUSSION**

A. Background

This Order/Resolution approves our FY2016 operating budget for the Public Housing Program. FY2016 will be the ninth year of project-based accounting under HUD's mandate to convert public housing to an asset management model. Consequently, there are six public housing asset management project (AMP) budgets as well as a separate budget for the central office cost center (COCC). HUD requires Board approval for each of these budgets.

B. Analysis

Attached is a site budget for each of the Agency's asset management projects (AMPs). Each AMP budget is balanced, although overall we expect to draw down reserves for approximately \$360,000 for this year's operations. Major revenues for the AMPS include tenant rents and HUD operating subsidy. The 2016 operating subsidy will be determined during October 2015. The amounts are based on number of units and inflation, with an adjustment based on utility costs. The formula provides an incentive for Public Housing to conserve water and

energy, and simply put, a reduction in utility costs will result in an increase to operating subsidy. The budget projection is for very little change to the operating subsidies, compared to the 2015 Projected Actuals, although it is a 2% increase over the 2015 budgeted amount. Total Revenues are budgeted 8% higher than FY2015 and this is mainly attributable to the Capital Transfer of \$175,000 which was not included in the FY2015 budget. Total Expenses are budgeted 6% higher than FY2015. This increase is mainly due to the fact that the revised overhead allocation methodology places more costs in the AMPS than the old methodology.

Also attached is a balanced budget for the Agency's central office cost center (COCC); for FY2016 we expect to draw only \$2,000 from reserves. Under HUD's model, the COCC is analogous to the administrative office of a private property management company. Accordingly, the revenue of the COCC includes certain fees that are charged to the AMPS and reimbursed by other HACSA programs.

The revised overhead allocation methodology is quite visible in the COCC budget. Separate cost centers were created for the executive, HR, IT and finance budgets, as well as for the two HACSA administrative and maintenance facilities. Separate cost allocation methods were created for each cost center using the cost base most appropriate. For example, IT costs were allocated to HACSA programs based on the number of computing devices maintained for each program.

Total revenue for the COCC is \$2,392,806; \$1,758,078 (73%) of this total comes from allocating the costs discussed in the previous paragraph. The balance comes from inter-agency transfers based on number of units or amounts eligible to be transferred from the annual capital grant. These revenues fund the Public Housing administrative staff and materials and services supporting those staff.

C. Alternatives/Options

HUD requires that the Board approve next fiscal year's Public Housing Operating budget by September 30, 2015.

D. Recommendation

Approval of the proposed Motion is recommended.

E. Timing

Upon Board approval, the Public Housing Operating Budget will become effective on October 1, 2015.

#### IV. IMPLEMENTATION/FOLLOW-UP

Same as Item III.E.

**V. ATTACHMENTS**

Public Housing Site Budgets  
Budget for Central Office Cost Center  
Combined Budget for AMPs Plus COCC  
HUD Form 52574 – PHA Board Resolution

**Housing And Community Services Agency of Lane County**  
**Site Budgets**  
**10/1/15 - 9/30/16**

(All amounts rounded to the nearest \$100)

	AMP 100	AMP 200	AMP 300	AMP 400	AMP 500	AMP 600	TOTAL
<b>REVENUE</b>							
Dwelling Rentals	\$ 74,600	\$ 602,700	\$ 276,400	\$ 444,400	\$ 209,200	\$ 195,600	1,802,900
Investment Income	-	-	-	-	-	-	-
Other Income	1,900	28,800	29,000	22,500	9,800	9,800	101,800
Operating Subsidy	92,800	519,200	397,000	300,000	232,900	205,600	1,747,500
Transfer From Capital Fund	7,200	53,000	32,200	37,100	22,300	23,300	175,100
<b>Total Revenue</b>	<b>\$ 176,500</b>	<b>\$ 1,203,700</b>	<b>\$ 734,600</b>	<b>\$ 804,000</b>	<b>\$ 474,200</b>	<b>\$ 434,300</b>	<b>3,827,300</b>
<b>EXPENSES</b>							
Administrative Salaries	40,234	130,818	52,293	94,667	73,329	58,790	450,133
Benefits	25,893	68,994	32,526	51,122	45,392	34,504	258,432
Staff Training	600	1,000	1,800	1,000	900	2,000	7,300
Travel Expense	300	500	500	1,200	300	500	3,300
Audit	300	2,300	1,300	1,600	1,000	1,000	7,500
Legal	100	500	500	500	100	100	1,800
Management Fee	17,500	127,900	78,400	89,900	53,700	55,500	422,900
Bookkeeping Fee	2,600	19,100	11,700	13,400	8,000	8,300	63,100
<b>Sundry</b>							
Stationary, Copier, Office Suppl	200	2,500	1,400	5,000	2,000	500	11,600
Telephone	3,800	2,000	4,000	4,200	6,500	7,500	28,000
Postage	800	2,500	4,400	3,000	3,500	500	14,700
Publications, Dues, Fees	-	-	-	-	-	-	-
Computer Expense	296	2,570	1,620	1,500	1,000	1,600	8,586
Background Checks	-	-	-	-	-	-	-
Misc. Sundry	500	5,000	-	500	1,000	-	7,000
Total Sundry	<b>5,596</b>	<b>14,570</b>	<b>11,420</b>	<b>14,200</b>	<b>14,000</b>	<b>10,100</b>	<b>69,886</b>
<b>Total Administrative</b>	<b>93,124</b>	<b>365,682</b>	<b>190,439</b>	<b>267,590</b>	<b>196,722</b>	<b>170,794</b>	<b>1,284,351</b>
Resident Services Salaries	459	3,273	1,989	2,295	1,377	1,438	10,831
Benefits	361	2,572	1,563	1,804	1,082	1,130	8,511
Other (RPF)	800	7,200	1,500	3,700	2,300	2,400	17,900
<b>Total Resident Services</b>	<b>1,620</b>	<b>13,045</b>	<b>5,051</b>	<b>7,799</b>	<b>4,758</b>	<b>4,969</b>	<b>37,242</b>
Gas	-	-	-	52,200	15,000	1,900	69,100
Electric	2,300	1,000	4,000	72,700	11,400	20,000	111,400
Garbage	7,500	55,000	32,900	12,300	21,300	17,600	146,600
Water/Sewer	28,500	105,000	30,100	38,100	53,100	30,000	284,800
<b>Total Utilities</b>	<b>38,300</b>	<b>161,000</b>	<b>67,000</b>	<b>175,300</b>	<b>100,800</b>	<b>69,500</b>	<b>611,900</b>
Maintenance Salaries	18,223	111,448	141,476	57,663	63,420	55,429	447,659
Benefits	12,026	85,856	89,640	44,290	45,358	42,175	319,344
Materials	7,800	85,000	50,000	23,000	17,500	14,000	197,300
Maintenance Fee for Service	10,000	75,000	70,000	6,000	5,500	5,800	172,300
Maintenance Contract	-	25,000	43,000	17,000	15,200	20,500	120,700
<b>Contract Costs</b>							
Cleaning & Painting Vacancies	1,500	12,000	15,000	9,000	5,600	6,900	50,000
Elevators	-	-	-	-	-	-	-
Vehicle Repairs Fleet Service	120	7,000	7,400	1,500	4,200	4,000	24,220
Grounds Maintenance	10,000	4,000	16,000	7,000	11,000	9,300	57,300
Janitorial Service	-	-	500	5,500	300	4,800	11,100
Pest Control	2,000	3,500	2,500	800	1,200	1,000	11,000
Drain Cleaning	-	-	-	-	-	-	-
Carpet Supply & Installation	-	-	-	-	-	-	-
All Other	500	35,000	23,000	15,000	12,000	7,400	92,900
<b>Total Maintenance</b>	<b>62,168</b>	<b>443,804</b>	<b>458,516</b>	<b>186,754</b>	<b>181,278</b>	<b>171,304</b>	<b>1,503,823</b>
Security Labor	-	9,942	-	2,388	1,092	2,366	15,788
Benefits	-	1,591	-	382	175	379	2,526
<b>Total Protective Services</b>	<b>-</b>	<b>11,533</b>	<b>-</b>	<b>2,770</b>	<b>1,267</b>	<b>2,745</b>	<b>18,315</b>
Insurance	5,100	25,900	29,700	16,300	11,600	13,000	101,600
PILOT	4,400	49,700	24,200	28,100	12,970	14,400	133,770
Bad Debts - Tenant Rents	500	7,000	5,000	2,000	2,000	2,000	18,500
<b>Total General Expenses</b>	<b>10,000</b>	<b>82,600</b>	<b>58,900</b>	<b>46,400</b>	<b>26,570</b>	<b>29,400</b>	<b>253,870</b>
<b>Extraordinary Maintenance</b>						<b>1,000</b>	<b>1,000</b>
<b>Overhead</b>	<b>22,800</b>	<b>114,300</b>	<b>78,400</b>	<b>64,200</b>	<b>61,000</b>	<b>52,200</b>	<b>392,900</b>
<b>Total Expenses, excluding As</b>	<b>228,012</b>	<b>1,191,965</b>	<b>858,306</b>	<b>750,812</b>	<b>572,395</b>	<b>501,911</b>	<b>4,103,400</b>
<b>Asset Management</b>	<b>3,600</b>	<b>25,700</b>	<b>15,600</b>	<b>17,900</b>	<b>10,700</b>	<b>11,200</b>	<b>84,700</b>
<b>Total Expenses</b>	<b>231,612</b>	<b>1,217,665</b>	<b>873,906</b>	<b>768,712</b>	<b>583,095</b>	<b>513,111</b>	<b>4,188,100</b>
<b>Cash Flow from Operations *</b>	<b>(55,112)</b>	<b>(13,965)</b>	<b>(139,306)</b>	<b>35,288</b>	<b>(108,895)</b>	<b>(78,811)</b>	<b>(360,800)</b>

Housing And Community Services Agency of Lane County

Admin Summary

Budget 10/01/15 - 9/30/16

	TOTAL COCC 16 Budgets	COCC Projected FY15
<b>REVENUE</b>		
Management Fees	496,800	354,833
Bookkeeping Fees	98,400	51,750
Asset Management Fee	84,700	70,500
Cap Fund Admin Fee	96,528	80,440
Housing Choice Voucher Program Admin Fee	-	196,500
Admin Allocation-Salaries & Fringe	682,940	-
Admin Allocation - Other	165,700	-
IT Allocation - Salaries & Fringe	155,269	-
IT Allocation - Other	102,800	-
Cagle Allocation	70,126	-
Obie Allocation	77,843	-
Money from CAP Fund	14,000	-
Building Cost Allocation	142,900	204,250
Section 236 and S8 New Construction Overhead Reimb.	-	59,250
Other Programs Overhead Reimbursement	-	162,917
Maintenance Fee for Service	204,800	332,434
Fee for Service	-	-
Interest Income	-	2,917
Misc Income	-	-
<b>Total Revenue</b>	<b>2,392,806</b>	<b>1,515,791</b>
<b>EXPENSES</b>		
Administrative Salaries	634,636	656,000
Administrative Employee Benefits	338,738	276,833
IT Salaries	105,105	
IT Fringe	50,164	
Cagle Salaries	38,633	
Cagle Fringe	31,493	
Obie Salary	46,800	
Obie Fringe	31,043	
Obie Allocation	25,900	
Temporary Help	6,400	
Audit	7,700	4,167
Legal	10,500	83
Staff Training	34,300	1,083
Travel	6,800	2,167
Dues and Subscriptions	10,800	
Computer Expense	3,525	11,333
Contractors	2,500	
Hardware	15,600	
Software	36,900	
Tool & Equipment	100	
Expendables	2,600	

	TOTAL COCC 16 Budgets	COCC Projected FY15
Telephone	12,200	7,250
Postage	5,000	6,167
Office Expense	6,200	8,750
Consultant	10,000	
Other	87,100	23,083
<b>Total Administrative</b>	<b>1,560,737</b>	<b>996,916</b>
Water/Sewer	7,100	5,417
Electric	23,300	16,000
Garbage	1,900	
<b>Total Utilities</b>	<b>32,300</b>	<b>21,417</b>
Maintenance Labor	265,627	138,083
Maintenance Fringe	171,839	107,167
Maintenance	40,300	
Yard Maintenance	100	
Janitorial	16,800	
Materials	10,000	3,667
Contracts	18,500	55,750
<b>Total Maintenance</b>	<b>523,167</b>	<b>304,667</b>
Insurance	13,300	9,917
Contracts & Maintenance Agreements	46,300	
Governmental Agreements	7,400	
<b>Total General Expenses</b>	<b>67,000</b>	<b>9,917</b>
<b>Total Direct Expenses</b>	<b>2,183,203</b>	<b>1,332,917</b>
Admin Allocation	110,000	
IT Allocation	65,700	
Cagle Allocation	-	
DI Bdlg Allocation	-	
FV Bdlg Allocation	36,000	
<b>Total Allocated Expenses</b>	<b>211,700</b>	<b>-</b>
<b>Total Expenses</b>	<b>2,394,903</b>	<b>1,332,917</b>
<b>Revenues less Expenses</b>	<b>(2,098)</b>	<b>182,874</b>
EXPENDITURES		
Capital Outlay		
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>
<b>Cash Flow from Operations</b>	<b>(2,098)</b>	<b>182,874</b>



**HACSA Budget FY16  
AMPS & COCC Combined**

	TOTAL AMPS	COCC	COMBINED	ELIMINATIONS	COMBINED TOTALS
<b>Total Administrative</b>	<b>1,284,351</b>	<b>1,614,437</b>	<b>2,898,788</b>	<b>(486,000)</b>	<b>2,412,788</b>
Resident Services Salaries	10,831		10,831		10,831
Benefits	8,511		8,511		8,511
Other (RPF)	17,900		17,900		17,900
<b>Total Resident Services</b>	<b>37,242</b>	-	<b>37,242</b>		<b>37,242</b>
Gas	69,100		69,100		69,100
Electric	111,400	23,300	134,700		134,700
Garbage	146,600	1,900	148,500		148,500
Water/Sewer	284,800	7,100	291,900		291,900
<b>Total Utilities</b>	<b>611,900</b>	<b>32,300</b>	<b>644,200</b>		<b>644,200</b>
Maintenance Salaries	447,659	265,627	713,286		713,286
Benefits	319,344	171,839	491,183		491,183
Materials	197,300	10,000	207,300		207,300
Maintenance Fee for Service	172,300		172,300	(172,300)	-
Maintenance Contract	120,700	12,500	133,200		133,200
<b>Contract Costs</b>	-				
Cleaning & Painting Vacancies	50,000		50,000		50,000
Elevators	-		-		-
Vehicle Repairs Fleet Services	24,220		24,220		24,220
Grounds Maintenance	57,300	100	57,400		57,400
Janitorial Service	11,100	16,800	27,900		27,900
Pest Control	11,000		11,000		11,000
Drain Cleaning	-		-		-
Carpet Supply & Installation	-		-		-
All Other	92,900	46,300	139,200		139,200
<b>Total Maintenance</b>	<b>1,503,823</b>	<b>523,167</b>	<b>2,026,990</b>	<b>(172,300)</b>	<b>1,854,690</b>
Security Labor	15,788		15,788		15,788
Benefits	2,526		2,526		2,526
<b>Total Protective Services</b>	<b>18,315</b>	-	<b>18,315</b>	-	<b>18,315</b>
Insurance	101,600	13,300	114,900		114,900
PILOT	133,770		133,770		133,770
Bad Debts - Tenant Rents	18,500		18,500		18,500
<b>Total General Expenses</b>	<b>253,870</b>	<b>13,300</b>	<b>267,170</b>		<b>267,170</b>
<b>Extraordinary Maintenance</b>	<b>1,000</b>	-	<b>1,000</b>		<b>1,000</b>
<b>Overhead</b>	<b>392,900</b>	<b>211,700</b>	<b>604,600</b>	<b>(604,600)</b>	-
<b>Total Expenses, excluding</b>	<b>4,103,400</b>	<b>2,394,903</b>	<b>6,498,304</b>	<b>(1,262,900)</b>	<b>5,235,404</b>
<b>Asset Management</b>	<b>84,700</b>	-	<b>84,700</b>	<b>(84,700)</b>	-
<b>Total Expenses</b>	<b>4,188,100</b>	<b>2,394,903</b>	<b>6,583,004</b>	<b>(1,347,600)</b>	<b>5,235,404</b>
<b>Cash Flow from Operations</b>	<b>(360,800)</b>	<b>(2,098)</b>	<b>(362,898)</b>	-	<b>(362,898)</b>

15-09-29-02H

In the matter of approving the Public Housing Operating Budget for the Fiscal Year ending September 30, 2016

PHA Board Resolution  
Approving Operating Budget

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing -  
Real Estate Assessment Center (PIH-REAC)

OMB No. 2577-0026  
(exp. 04/30/2016)

Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Housing And Community Services Agency of Lane County      PHA Code: OR006

PHA Fiscal Year Beginning:      Board Resolution Number:  
October 1, 2015

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

- Operating Budget approved by Board resolution on;
- Operating Budget submitted to HUD, if applicable, on;
- Operating Budget revision approved by Board resolution on;
- Operating Budget revision submitted to HUD, if applicable, on;

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditure are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(c) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i).

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairperson's Name: Charene Reavis	Signature: <i>Charene M Reavis</i>	Date: 9-29-15
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In the matter of approving the Public Housing Operating Budget for the Fiscal Year ending September 30, 2016

H A C S A M E M O

**TO:** HACSA Board of Commissioners

**FROM:** Jacob Fox, Executive Director  
Vicki Nutter, Finance Director

**AGENDA ITEM TITLE:** ORDER/In the Matter of Adopting the 2015-2016  
Budget and Making Appropriations

**AGENDA DATE:** September 29, 2015

**I. MOTION**

IT IS MOVED THAT THE ORDER BE APPROVED WHICH ADOPTS THE 2015/2016 AGENCY BUDGET AND MAKES APPROPRIATIONS.

**II. ISSUE**

It is necessary for the Board to adopt the Agency FY 2016 budget prior to October 1, 2015.

**III. DISCUSSION**

A. Background

This Order approves the Agency's budget for the fiscal year beginning October 1, 2015.

B. Analysis

Attached is the joint memorandum of the Executive Director and Finance Director transmitting the proposed HACSA budget for FY 2016 and the budget documents.

C. Alternatives/Options

The Board can either approve the proposed budget Motion as recommended or make changes before adopting the budget.

D. Recommendation

Approval of the proposed Motion is recommended.

E. Timing

Upon Board approval, the proposed budget will become effective on October 1, 2015.

**IV. IMPLEMENTATION/FOLLOW-UP**

Same as Item III.E.

**V. ATTACHMENTS**

Memorandum  
Budget

HACSA BUDGET - SUMMARY OF EXPENDITURES - FY 16

DIVISION/ PROGRAM	REVENUES & EXPENSES				CAPITAL OUTLAY				DEBT SERVICE				TOTAL OF PERSONAL SVCS MATERIALS & SVCS CAPITAL & DEBT SVC				RESERVES			
	REVENUE	TOTAL WAGES & FR	TOTAL MATERIALS & SVCS	TOTAL EXPENSES	TOTAL REV - EXP	BUILDINGS & MACH. & IMP'V'MS	EQUIP'T	TOTAL CAPITAL	PRINCIPAL	INTEREST ON DEBT	CONTRIB TO REPLCMT. RESERVE	TOTAL DEBT SVC	REV-EXP LESS CAP & DEBT SVC	CASH FLOW	EST BEGINNING FY16	EST FY16	EST ENDING FY16			
<b>COMMUNITY SERV:</b>																				
HACSA Corporate (formerly Agency Fund)	0.00	32,605	12,200	12,200	20,405	75,000	-	75,000	-	-	-	-	-	(54,595)	857,842	803,247	(0)			
Wealthization	8.34	1,880,327	1,233,725	1,880,327	(0)	-	-	-	-	-	-	-	-	(0)	0	0	(0)			
Development/Asset Management	4.05	1,017,700	191,250	553,232	464,468	183,600	-	183,600	2,000	15,800	17,800	-	262,668	169,900	432,568	(0)				
ROSS	1.13	100,508	4,700	100,508	(0)	-	-	-	-	-	-	-	(0)	0	0	(0)				
FSS	3.00	285,273	-	229,245	(23,972)	-	-	-	-	-	-	-	(23,972)	0	0	(23,972)				
Family Shelter House	0.00	12,000	2,600	2,600	9,400	-	-	-	10,800	1,100	11,900	-	(2,500)	(2,900)	(5,400)					
Hieman Center	0.13	180,600	15,100	24,784	155,816	-	-	-	49,200	25,000	74,200	-	59,616	420,653	480,269					
Signpost House	0.02	95,600	44,000	44,000	51,600	-	-	-	9,700	1,400	11,100	-	40,500	226,886	267,386					
Shelter + Care	0.23	440,000	16,353	440,000	0	-	-	-	-	-	-	-	-	0	(33,000)					
	16.90	3,964,413	1,233,122	3,287,297	677,216	183,600	75,000	258,600	71,800	43,300	31,900	137,000	281,716	1,639,381	1,931,097					
<b>HOUSING PROJECTS:</b>																				
Conventional	45.95	4,872,506	1,982,201	5,235,405	(362,899)	-	-	-	-	-	-	-	-	(362,898)	1,379,537	1,016,639				
Abbie Lane	0.86	215,300	93,300	146,527	68,573	80,000	-	80,000	15,600	6,500	11,300	33,400	(44,527)	270,440	225,913					
Fourteen Pines	2.46	474,500	164,300	315,243	99,257	130,000	-	130,000	31,600	500	85,000	117,100	(147,843)	(133,803)	(281,646)					
Village Oaks	0.00	357,800	210,700	357,702	4,098	120,235	-	120,235	-	-	64,000	64,000	(180,137)	(89,657)	(260,794)					
Plymouth	0.00	530,600	212,500	315,612	215,788	-	-	-	97,900	43,000	140,900	-	72,888	1,284	74,183					
Noremten Village	0.00	281,600	181,900	181,900	99,700	37,900	-	37,900	-	51,600	38,000	89,600	30,100	(198,869)	(180,760)					
Canas Place	0.00	234,100	193,300	193,300	30,800	37,400	-	37,400	11,600	7,400	8,100	27,100	(24,200)	49,990	15,790					
Richardson Bridge	0.00	203,100	188,800	188,800	14,300	37,400	-	37,400	-	12,000	12,000	338,200	(35,100)	184,970	148,970					
Jacob's Lane	0.00	318,300	197,700	197,700	120,600	13,500	-	13,500	22,100	23,800	23,800	280,900	37,400	204,995	242,995					
Laurel Gardens	0.00	169,300	148,800	148,800	20,500	13,400	-	13,400	16,600	13,300	8,200	200,300	(31,000)	97,139	66,139					
Walnut Park	0.00	183,100	125,100	125,100	58,000	14,400	-	14,400	24,000	20,000	6,400	170,500	(7,400)	23,863	16,463					
The Orchards	0.00	169,300	125,500	125,500	43,800	66,900	-	66,900	6,900	23,200	10,300	332,800	(65,500)	916	(62,584)					
Capital Fund	3.10	1,234,430	308,493	547,930	676,500	676,500	-	676,500	-	-	-	1,234,430	-	0	0					
	54.83	9,163,956	4,133,594	8,076,520	1,087,315	1,190,235	-	1,190,235	224,300	189,900	267,100	683,300	(786,219)	1,806,834	1,020,005					
<b>SECTION 8:</b>																				
Voucher	17.55	15,959,800	1,228,278	14,724,500	15,959,778	-	-	-	-	-	-	-	-	7,022	639,072	646,094				
	17.55	15,959,800	1,228,278	14,724,500	15,959,778	-	-	-	-	-	-	-	-	7,022	639,072	646,094				
	89.28	29,088,249	6,531,278	27,316,595	1,771,654	1,273,835	75,000	1,448,835	298,100	233,200	289,000	820,300	(497,480)	4,085,277	3,587,977					

BACSA BUDGET - SUMMARY OF EXPENDITURES - FY 15

DIVISION/ PROGRAM	REVENUES & EXPENSES				CAPITAL OUTLAY				DEBT SERVICE				TOTAL OF	
	REVENUE	TOTAL WAGES & FR	TOTAL MATERIALS SERVICES EXPENSES	TOTAL REV. EXP	LAND, BUILDINGS & MACH. IMPV'T'S EQUIPT CAPITAL	TOTAL REV. EXP	PRINCIPAL ON DEBT	INTEREST ON DEBT RESERVE & RESERVES	CONTRIBUT TOTAL REPLCMT. DEBT SVC	MATERIALS & SVCS CAPITAL & DEBT SVC	CASH FLOW REV-EXP LESS CAP & DEBT SVC			
<b>COMMUNITY SERV:</b>														
HACSA Corporate (formerly Agency Fun	0.00	15,900	4,100	11,800	-	-	-	-	-	4,100	11,800	4,100	11,800	
Weatherization	8.75	1,929,564	1,929,564	-	-	-	-	-	-	1,929,564	0	1,929,564	0	
Development/Asset Management	3.49	345,103	345,103	-	-	-	-	-	-	345,103	0	345,103	0	
*ROSS	1.00	-	-	-	-	-	-	-	-	-	0	-	0	
*FSS	1.00	-	-	-	-	-	-	-	-	-	0	-	0	
Family Shelter House	6.00	12,000	-	12,000	-	-	9,978	2,195	-	-	12,173	12,173	(173)	
Heeran Center	0.35	166,996	39,200	106,400	-	-	47,887	26,796	21,900	-	96,283	162,879	4,117	
Signpost House	0.10	93,900	36,400	50,505	-	-	9,265	1,847	-	-	11,112	54,507	39,393	
Shelter + Care	0.36	429,986	403,442	429,986	-	-	-	-	-	-	-	429,986	0	
	17.05	2,993,419	1,734,705	1,747,005	-	-	66,830	30,838	21,900	-	119,568	2,936,312	55,137	
<b>HOUSING PROJECTS:</b>														
Conventional	38.03	3,938,628	1,735,125	4,342,028	-	-	-	-	-	-	-	4,342,028	(403,400)	
Abbie Lane	1.45	255,200	81,400	188,758	-	-	18,696	6,901	11,300	-	36,897	225,655	29,545	
Fourteen Pines	2.94	419,800	202,550	426,510	-	-	31,612	484	-	-	32,096	458,606	(38,806)	
Village Oaks	2.94	441,200	174,750	393,276	-	-	-	-	64,000	-	64,000	457,276	(16,076)	
Firwood	1.94	493,000	187,500	335,001	-	-	-	-	-	-	143,932	478,933	14,067	
Norsemen Village	0.16	281,184	182,480	193,381	-	-	84,437	59,495	38,000	-	89,644	283,025	(1,841)	
Canas Place	0.14	218,009	178,160	187,824	-	-	7,932	43,712	8,061	-	27,060	214,884	3,125	
Richardson Bridge	0.08	209,434	138,667	143,549	-	-	10,835	8,164	6,396	-	6,396	209,458	6,976	
**Jacob's Lane	0.00	-	-	-	52,513	-	-	-	-	-	-	-	0	
Laurel Gardens	0.00	151,200	122,900	28,300	-	-	15,680	14,096	9,000	-	38,776	161,676	(10,476)	
Walnut Park	0.00	151,200	98,200	53,000	-	-	19,151	30,253	5,004	-	54,408	157,608	(1,408)	
The Orchards	0.00	170,100	125,250	44,850	-	-	6,479	23,644	5,904	-	36,027	161,277	8,823	
Capital Fund	2.71	1,682,057	134,500	345,439	1,336,628	-	-	-	-	-	-	1,682,057	0	
	47.39	8,411,012	3,351,282	6,902,106	1,389,141	-	1,389,141	194,822	147,655	-	529,236	8,620,483	(409,471)	
<b>SECTION 8:</b>														
Voucher	19.56	16,738,900	15,007,000	16,813,678	-	-	-	-	-	-	-	16,813,678	(74,778)	
	19.56	16,738,900	15,007,000	16,813,678	-	-	-	-	-	-	-	16,813,678	(74,778)	
	87.00	28,143,361	20,092,987	26,534,538	1,389,141	-	261,652	217,887	169,565	-	668,804	28,572,473	(429,112)	

\*ROSS and FSS in Voucher budget in FY15  
 \*\*Jacob's Lane in Tax Credit Properties in FY15

**IN THE BOARD OF COMMISSIONERS OF THE  
HOUSING AND COMMUNITY SERVICES AGENCY  
OF LANE COUNTY, OREGON**

ORDER NO. 15-09-29-01H

) IN THE MATTER OF ADOPTING  
) THE 2015/2016 BUDGET AND  
) MAKING APPROPRIATIONS

WHEREAS, it is necessary for the Board to adopt a 2015/2016 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon; and

WHEREAS, the HACSA Executive Director has recommended approval of the proposed HACSA budget for the 2015/2016 fiscal year; and

WHEREAS, the Board having fully considered the Executive Director's recommendation, NOW, THEREFORE, IT IS HEREBY

ORDERED, that the 2015/2016 fiscal year budget for the Housing And Community Services Agency of Lane County, Oregon, as set forth below, is hereby adopted; and

FURTHER ORDERED, that the amounts for the fiscal year beginning October 1, 2015, and for the purposes shown below, are hereby appropriated:

GENERAL FUND

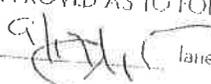
Community Services Division	\$3,682,900
Housing Division	\$9,950,000
Section 8 Division	<u>\$15,952,800</u>
Total	<u>\$29,585,700</u>

ADOPTED, by the Housing And Community Services Agency of Lane County, Oregon, this 29th day of September, 2015.



Chair, HACSA Board of Commissioners

IN THE MATTER OF ADOPTING THE 2015/2016 BUDGET AND MAKING APPROPRIATIONS Date

APPROVED AS TO FORM  
  
lane county

OFFICE OF LEGAL COUNSEL

HACSA MEMORANDUM

**TO:** HACSA Board of Commissioners

**FROM:** Jacob Fox, Executive Director  
Valerie Warner, Deputy Director  
Vicki Nutter, Finance Manager

**AGENDA ITEM TITLE:** ORDER/In the Matter of Adopting the 2015-16 Budget and Making Appropriations

**DATE:** September 29, 2015

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HACSA's FY 2016 budget is attached for your review and approval. It has been prepared in accordance with guidelines established by federal granting agencies, most particularly the Federal Department of Housing and Urban Development (HUD). Program summaries are shown for the Community Services, Housing and Section 8 divisions. Federal funding accounts for 85% of HACSA's revenues. HUD funding alone comprises 75%.

This budget totals \$29,585,730 a net increase of \$1,013,257 over the FY 2015 budget of \$28,572,473.

We have made some structural changes to the 2016 budget, including:

- significant changes to the components of the three divisions, Community Services, Housing and Section 8,
- changes to overhead allocation plan,
- the addition of Jacobs Lane, a 63 unit complex in Eugene, which until this year was not in HACSA's budget because it was a limited partnership.

Any time that changes like these occur, it becomes difficult to analyze year over year changes at the division level, so we have reformatted the FY15 budget into a format similar to the FY16 budget. Following is the year over year analysis at the functional level:

- Total personal services for FY2016 are \$6,531,278, an increase of \$89,737 over the FY2015 budget of \$6,441,541. The FTE total has increased from 87 to 89.28. The 2.28 FTE increase is due to an additional IT staff person, an additional Energy Auditor, and several fractional changes in FTE in other positions. HACSA experienced an unusual amount of turnover during FY2015 and new hires replaced staff with longevity, bringing down the average cost per FTE from \$74,041 to \$73,155.
- Total materials and services for FY2016 are \$20,785,316 an increase of \$692,329 over the FY2015 budget of \$20,092,987. The budget for S8 is decreasing by \$282,500. Significant components of the increase include \$197,700 for Jacobs Lane, which was not included in the HACSA budget last year and \$186,750 for Development. The remaining \$212,129 increase is attributable to the revised methodology for overhead cost allocation. Previously, costs related to maintaining the administration buildings and costs related to

the overhead functions (software maintenance, etc) were allocated fractionally to all HACSA programs. For FY2016, such costs were gathered in the central office cost center and reimbursed by HACSA programs thereby causing a doubling up of those expenses in the budget. (other terms for this budgetary doubling phenomenon include *interfund transfers* or *overhead cost allocation* or *indirect cost allocation*)

- Total capital outlay for FY2016 is \$1,448,835, an increase of \$59,694 over the FY2015 budget of \$1,389,141. The FY2016 capital outlay includes a net of \$183,600 of pre-development costs on HACSA pipeline projects. These costs will be reimbursable if the projects are funded.
- Total debt service (including contributions to replacement reserves) for FY2016 is \$820,300, an increase of \$171,496 over the FY2015 budget of \$648,804. The increase is primarily due to the addition of Jacobs Lane, with debt service of \$69,700 and an increase in the required reserve contribution for 14 Pines, of \$85,000.

The FY2016 budget includes \$29,088,249 in revenue, an increase of \$944,888 over the FY2015 budget of \$28,143,361. The increase is partially due to the addition of Jacobs Lane of \$318,300, an increase in revenue from Development/Asset Management of \$672,597, netted with a decrease in Section 8 revenue of \$779,100, which is related to a new HUD methodology for Admin Fees. The remaining increase is attributable to the revised methodology for overhead cost allocation.

Cash flow for FY2016, (the difference between total revenues and total expenses for operations, capital and debt service) is a negative \$497,480. This budget draws \$68,368 more from reserves than the FY2015 budget, with a cash flow of negative \$429,112. However, the FY2016 net income of \$1,771,654 is an improvement of \$162,821 over the FY2015 net income of \$1,608,833. That means the additional negative cash flow is going into capital improvements, debt reduction and accumulation of replacement reserves.

A statement of purpose and a list of 2016 objectives will follow for HACSA's three divisions: Community Services, Housing and Section 8.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY, OREGON**

**COMPARATIVE SUMMARY OF RESOURCES AND EXPENDITURES**

	<u>2013-14</u> <u>ACTUAL</u>	<u>2014-15</u> <u>BUDGET</u>	<u>2014-15</u> <u>ESTIMATED</u>	<u>2015-16</u> <u>BUDGET</u>
<b>RESOURCES</b>				
Fund Balance				\$ 4,085,300
Loans				
Revenues:				
Federal grants	22,209,100	22,279,900	20,382,200	21,729,200
Rent	4,260,300	4,091,700	4,140,900	4,330,400
Interest	4,900	341,200	1,300	600
Other	1,950,400	1,430,600	2,784,700	3,028,100
	<u>\$ 28,424,700</u>	<u>\$ 28,143,400</u>	<u>\$ 27,309,100</u>	<u>\$ 29,088,300</u>
<b>EXPENDITURES</b>				
Personal Services	\$ 5,791,200	\$ 6,441,500	\$ 5,762,900	\$ 6,531,300
Materials and Services	21,110,900	20,093,000	20,417,900	20,785,300
Capital Outlay	1,227,800	1,389,100	360,000	1,448,800
Debt Service	732,400	648,900	713,300	820,300
	<u>\$ 28,862,300</u>	<u>\$ 28,572,500</u>	<u>\$ 27,254,100</u>	<u>\$ 29,585,700</u>
<b>PROGRAM EXPENDITURES</b>				
Community Services	\$ 2,492,500	\$ 2,938,300	\$ 2,423,200	\$ 3,682,900
Housing	9,997,100	8,820,500	8,870,100	9,950,000
Section 8	16,372,700	16,813,700	15,960,800	15,952,800
	<u>\$ 28,862,300</u>	<u>\$ 28,572,500</u>	<u>\$ 27,254,100</u>	<u>\$ 29,585,700</u>
<b>FULL-TIME EQUIVALENT POSITIONS</b>				
	<u>83.93</u>	<u>87.00</u>	<u>88.25</u>	<u>89.28</u>

PROGRAM SUMMARY (continued)

COMMUNITY SERVICES

	<u>2013-14</u> <u>ACTUAL</u>	<u>2014-15</u> <u>BUDGET</u>	<u>2014-15</u> <u>ESTIMATE</u>	<u>2015-16</u> <u>PROPOSED</u>
<b>EXPENDITURES</b>				
Personal Services	\$ 761,000	\$ 1,084,000	\$ 1,035,000	\$ 1,359,100
Materials and Services	1,577,500	1,734,700	1,265,900	1,928,200
Capital Outlay	0	0	0	258,600
Debt Service	154,000	119,600	122,300	137,000
	<u>\$ 2,492,500</u>	<u>\$ 2,938,300</u>	<u>\$ 2,423,200</u>	<u>\$ 3,682,900</u>
<b>FULL-TIME EQUIVALENT POSITIONS</b>				
	<u>16.75</u>	<u>17.05</u>	<u>17.00</u>	<u>16.90</u>

## PROGRAM SUMMARY

### COMMUNITY SERVICES STATEMENT OF PURPOSE

The Community Services Division is comprised of all Agency programs, other than Housing and Section 8. The Low-income Weatherization Program helps qualified Lane County homeowners and renters conserve energy and save money by providing comprehensive conservation services at no cost to the household. Cost effective measures are installed by private contractors and paid for with public and private funds from federal grants and participating electric and natural gas utilities. The Development/Asset Management Program works with the Lane County Intergovernmental Housing Policy Board to create permanent, affordable low-income housing in Lane County and to provide ongoing oversight for HACSA limited partnerships. Heeran Center, Signpost House and Shelter Plus Care provide housing for special needs populations. ROSS and FSS programs provide resident services to tenants of Public Housing or tenants in S8.

### **FISCAL YEAR 2015-16 OBJECTIVES**

#### **Weatherization Program**

- Provide comprehensive and cost effective weatherization services to 150 households.
- Weatherize one HACSA complex.
- Install new ENERGY STAR approved refrigerators and high efficiency washing machines in 50 income qualified households.
- Provide in home energy education to HACSA new lease up tenants. Offer classroom energy ed to EWEB customers who are in arrears with their utility payments. Deliver on site energy education to all weatherization clients as part of the qualification process.
- Maintain and expand long-term partnerships with local utilities, municipalities and service organizations.
- Monitor all HACSA utility bills and develop a plan with site managers to maximize conservation measure and ensure optimal utility consumption.
- Continue HACSA's commitment to install renewable energy systems to reduce energy costs for income eligible households.
- Continue providing administrative and operational support to the LIHEAP Heating Crisis Program administered by the Lane County Human Services Division and replace 50 non-functioning heating systems.
- Continue to expand HACSA's partnership with all Lane County public electric utilities and NWNG to provide maximum benefits to eligible clients

#### **Development Program**

- Increase the number of affordable housing units available to Lane County Residents
- Bascom Village (Phase II) Construction of 48 affordable family size units started in August. Completion is expected in Fall of 2016

- The Oaks at 14th – Partnership with Sponsors to provide 54 units of permanent housing for ex-offenders with a strong program to reduce recidivism. Construction is expected to begin in spring of 2016 with completion in summer of 2017.
- 6th & Oak – Urban workforce housing over commercial near 5th Street Public Market. In design, expect to pursue funding in 2017.
- Glenwood Place – Workforce housing in a very central area on the EmX line. Working with City of Springfield to determine timing of development in regards to new infrastructure in Franklin Blvd.
- Hope Loop – Collaboration with UO architecture students. HACSA provides the lot and UO students design and build homes to sell as affordable homes.

### **Asset Management**

- Asset preservation: Secure funding for rehabilitation of sites that are at risk due to their age and condition.
- Advise during the planning process of new construction for integrating durable building components to lower operating costs and extend the useful life of units and buildings.
- Increase resident services budgets to expand partnerships with local service providers for added resident services in communities.
- Prepare and implement new Management Plans at each site.
- Prepare and implement new Preventative Maintenance plans for each site.

### **Resident Services Coordination**

- Utilize the HUD/ROSS Service Coordinator Grant to provide staff to assist Public Housing Residents to access the Community services they need to move toward Self Sufficiency or to age in place.
- Oversee the Resident Advisory Board (RAB) which is comprised of resident representatives from Public and Assisted Housing Complexes. Provide staff support to set up meetings, assure that elections happen annually, and that lines of communication are open to engage in activities that allow a resident voice to be present in policy and procedures for HACSA.
- Provide opportunities that will positively affect residents' quality of life and their involvement in activities by supporting resident newsletters, complex wide resident meetings, summer employment opportunities, and activities that engage residents and increase a sense of community and participation.

### **Family Self Sufficiency Program**

- Provide ongoing supportive services and community referrals to 200 Housing Choice Voucher Program and Public Housing residents to assist these families in moving towards Self Sufficiency, increase opportunities to move from subsidized housing, and maintain long term stability.
- Engage residents in this program by providing outreach through newsletters, at lease up and annual reviews, and through education of the Property Managers and Housing

Specialists to encourage referrals. Have 15 participants graduate from the program and receive Escrow Funds with at least 3 graduates moving to Home Ownership.

- Continue to offer the S8 Homeownership Program to eligible S8 participants and offer the supportive services to increase the success rate of this program. Utilize the FSS Escrow benefit along with Individual Development Accounts to FSS participants to increase opportunities for down payments for home ownership, Post-Secondary education, and debt relief.
- Continue to do ongoing outreach to Veterans Services' Case Managers to assure that Vets in HACSA PH and S8 programs are aware of, and can utilize, the services of the FSS Program to assist in Self Sufficiency and stabilization

PROGRAM SUMMARY (continued)

HOUSING

	<u>2013-14</u> <u>ACTUAL</u>	<u>2014-15</u> <u>BUDGET</u>	<u>2014-15</u> <u>ESTIMATED</u>	<u>2015-16</u> <u>PROPOSED</u>
<b>EXPENDITURES</b>				
Personal Services	\$ 3,396,200	\$ 3,550,900	\$ 3,234,000	\$ 3,943,900
Materials and Services	4,794,700	3,351,300	4,685,100	4,132,600
Capital Outlay	1,227,800	1,389,100	360,000	1,190,200
Debt Service	578,400	529,200	591,000	683,300
	<u>\$ 9,997,100</u>	<u>\$ 8,820,500</u>	<u>\$ 8,870,100</u>	<u>\$ 9,950,000</u>
<b>FULL-TIME EQUIVALENT POSITIONS</b>				
	<u>45.25</u>	<u>50.39</u>	<u>51.75</u>	<u>54.83</u>

## PROGRAM SUMMARY

### HOUSING

#### **STATEMENT OF PURPOSE**

The Housing Division provides for the coordinated management and maintenance of 955 Agency-owned low-income housing units.

#### **FISCAL YEAR 2015-2016 OBJECTIVES**

- Provide opportunities that will positively affect residents' quality of life and their involvement in Division activities, by continuing the use of newsletters, residents handbooks, notices, meetings and trainings. Also provide a multitude of services to residents, including leadership skills development, community organizing, summer employment opportunities, access to computers and the internet, resident groups at individual housing developments, feedback from elected Resident Representatives at the Resident Advisory Board (RAB) meetings, use of an Agency Hot Line, and the services of an Agency Ombudsman, as funding allows.
- Continue to protect the Division's assets, through a concerted effort to maintain and upgrade Agency-owned housing units on a regular basis. In accordance with HUD's mandate, refine the project based/asset management reorganization for our 708 public housing units.
- Plans to sell up to 119 public housing scattered sites at fair market value and use the realized funds to leverage other funds to increase the total number of affordable housing units in the Eugene/Springfield metropolitan area are currently on hold as we await HUD approval to move forward. We hope for the approval in FY 2016.
- Utilize the Capital Fund grant to modernize our public housing units. Integrate the Agency's allocation of capital funds into all aspects of the Division's operations, including occupancy, management and maintenance, as regulations allow.
- Maintain our high achiever Public Housing Assessment System (PHAS) rating.
- Continue resident requested and planned physical improvements to Agency-owned housing units, required under Section 504 of the Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act Amendments Act (ADAAA) of 2008.
- Continue providing safe and decent housing with extensive applicant screening, review of daily police calls for service, maintain a no smoking policy and a zero tolerance for drug activity.

PROGRAM SUMMARY (continued)

**SECTION 8**

	<u>2013-14</u> <u>ACTUAL</u>	<u>2014-15</u> <u>BUDGET</u>	<u>2014-15</u> <u>ESTIMATED</u>	<u>2015-16</u> <u>PROPOSED</u>
<b>EXPENDITURES</b>				
Personal Services	\$ 1,634,000	\$ 1,806,700	\$ 1,493,900	\$ 1,228,300
Materials and Services	14,738,700	15,007,000	14,466,900	14,724,500
Capital Outlay	0	0	0	0
Debt Service	0	0	0	0
	<u>\$ 16,372,700</u>	<u>\$ 16,813,700</u>	<u>\$ 15,960,800</u>	<u>\$ 15,952,800</u>
<b>FULL-TIME EQUIVALENT POSITIONS</b>				
	<u>21.93</u>	<u>19.56</u>	<u>19.50</u>	<u>17.55</u>

## PROGRAM SUMMARY

### SECTION 8

#### STATEMENT OF PURPOSE

- Housing Choice Voucher: This is the largest program in the division with 2989 families currently participating. Section 8 applicants who are at the top of the waiting list receive a voucher which is a rent subsidy grant based on their family size and income levels. This grant subsidy is paid directly to a participating landlord on the private rental market, while providing decent and safe housing for low income families. The rental subsidy will funnel approximately 15 million federal dollars in Lane County during the fiscal year 2015-2016.
- Veterans Administration Supportive Housing (VASH): In partnership with VA we have 166 families participating in the VASH Program. These vouchers are dedicated to homeless veterans. The VA selects the veteran, provides the case management and we provide the rental subsidy on the private rental market

#### FISCAL YEAR 2015-2016 OBJECTIVES

- With continued increases in area rents and severely reduced funding, the Section 8 Division will strive to maximize limited resources, to serve as many families that funding will allow.
- The Section 8 waiting list opened in March 2015 and is now closed. 3000 families were selected from the wait list process. We have provided vouchers to the first 1600 from that list. We will continue working through the rest of the waiting list and anticipate opening the Section 8 waiting list again sometime during 2017-18.
- We will continue to educate participants in the value of home ownership program through education, counseling in the FSS Program and partnerships with local housing providers and lenders.
- Continue to maintain positive working relationships with area property managers/owners to achieve a wide choice of housing opportunities for our low-income, elderly and disabled clients.
- Emphasize self-sufficiency for clients and families. Facilitating access to education, employment and services to assist them in reaching their self-sufficiency goals.
- Continue to educate staff, landlords and other service providers regarding the laws and regulations pertaining to reasonable accommodation for disabled individuals and regarding the new Oregon Section 8 Housing Choice Law, effective July 1, 2014.

### **Element 3.**

#### Rent Determination

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## **Methodology of Establishment of Flat Rents for Public Housing Units**

The Housing And Community Services Agency of Lane County amended its flat rent policies to comply with the statutory changes contained within, Public Law 113 – 76, the Fiscal Year 2014 Appropriation Act.

The Housing And Community Services Agency of Lane County sets the flat rental amount for each public housing unit to comply with the requirement that all flat rents be set at no less than 80 percent of the applicable Fair Market Rent (FMR) adjusted, if necessary, to account for reasonable utilities costs. The flat rental amount applied to all new program admissions effective October 31, 2014.

**Proposed Flat & Max Rent Changes - effective October 2016**

<b>Laurelwood Homes</b>	<b>Current Flat Rent</b>	<b>Proposed Flat Rent</b>	<b>Increase Yes or No</b>
1 Bedroom	\$600.00	\$600.00	No
2 Bedroom	\$700.00	\$800.00	Yes
3 Bedroom	\$975.00	\$1,100.00	Yes
4 Bedroom	\$1,200.00	\$1,300.00	Yes
<b>Mckenzie Village</b>			
1 Bedroom	\$550.00	\$600.00	Yes
2 Bedroom	\$725.00	\$800.00	Yes
3 Bedroom	\$960.00	\$1,100.00	Yes
<b>Pengra Court</b>			
2 Bedroom	\$725.00	\$800.00	Yes
3 Bedroom	\$960.00	\$1,100.00	Yes
<b>Maplewood Meadows</b>			
3 Bedroom	\$1,050.00	\$1,125.00	Yes
4 Bedroom	\$1,150.00	\$1,300.00	Yes
<b>Parkview Terrace</b>			
1 Bedroom	\$550.00	\$600.00	Yes
2 Bedroom	\$675.00	\$800.00	Yes
<b>Lindeborg Place</b>			
1 Bedroom	\$550.00	\$600.00	Yes
<b>Veneta Villa</b>			
1 Studio (0 bedroom)	\$500.00	\$550.00	Yes
1 Bedroom	\$550.00	\$600.00	Yes
2 Bedroom	\$675.00	\$725.00	Yes
2 Duplex	\$725.00	\$800.00	Yes
3 Bedroom	\$975.00	\$1,100.00	Yes
4 Bedroom	\$1,150.00	\$1,300.00	Yes
<b>Cresview Villa</b>			
1 Bedroom	\$550.00	\$600.00	Yes
<b>Riverview Terrace</b>			
1 Bedroom	\$550.00	\$600.00	Yes
<b>Scattered Sites</b>			
2 Bedroom	Varies	\$800.00	Yes
3 Bedroom	Varies	\$1,150.00	Yes
4 Bedroom	Varies	\$1,350.00	Yes

**2016 Flat Rent Analysis**

	Current 2015 FMR	80% of FMR
0 Bedroom	\$561	\$449
1 Bedroom	\$679	\$544
2 Bedroom	\$909	\$728
3 Bedroom	\$1,308	\$1,047
4 Bedroom	\$1,563	\$1,251

**Element 4.**

Operations and Management

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# HACSA

Housing And Community Services Agency of Lane  
County



EQUAL HOUSING  
OPPORTUNITY

## Maintenance Plan

**Housing and Community Services Agency  
of Lane County, Oregon**  
177 Day Island Road  
Eugene, Oregon 97401

**Property Management Division**  
300 West Fairview Drive  
Springfield, Oregon 97477

Effective: August 1, 2016

# HACSA MAINTENANCE PLAN

The overall goal and objective of the Property Management Division Maintenance Plan for the Housing and Community Services Agency of Lane County (HACSA) is to maintain, using a green approach, each unit and development managed by this Division in a condition equal to or greater than Uniform Physical Condition Standards, to meet or exceed all maintenance related PHAS indicators; and to properly utilize existing staff with a reasonable amount of overtime, while operating within budget constraints and schedule requirements.

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# Staffing Plan

## MAINTENANCE STRUCTURE:

### Supervision:

Property Management Director	Darlene Kelly
Fee for Service Coordinator	George Wytoski
Property Manager AMP 100	Jon Wild
Property Manager AMP 200	
• Pengra Court	Lana Blair
• McKenzie Village	Lana Blair
• Scattered Sites (20)	Jon Wild
Property Manager AMP 300	Jon Wild
Property Manager AMP 400	Alex Manwill
Property Manager AMP 500	Robei Ellis
Property Manager AMP 600	
• Riverview Terrace	Alex Manwill;
• Cresview Villa	Claudia Geraci
Property Manager Multi-Family Housing	Claudia Geraci
Property Manager Firwood	Robei Ellis

## Maintenance Staff (19.5 FTE)

### AMP Assigned Mechanics (6 FTE):

Gary Lopez (AMP 500/Firwood)  
Randy Waters (AMP 200)  
Roger Jones (AMP 100/200/300)  
Tim O'Brien (AMP 600- Cresview Villa / Village Oaks)  
Rod Stednitz: (Abbie Lane / 14 Pines)  
Jeff Champ (AMP 400/600-Riverview Terrace)

### AMP Assigned Site Maintenance Specialists (8.5 FTE):

Michael Rechel (AMP 400)  
Jim DuVal (AMP 600)  
Roy Beephan (Village Oaks / Abbie Lane)  
Bill Morley – (AMP 500/Firwood)  
Piper Harris (.5 FTE) (AMP 100 Laurelwood Homes)

Adam Fields (AMP 300 Maplewood Meadows)  
Amy Jones-Rodman (AMP 200 – Pengra Court)  
Norm Donohue (AMP 100/200/300)  
Gale Harrison [Fourteen Pines / Abbie Lane]

#### **Fee for Service Maintenance Staff**

##### **Mechanics (2 FTE)**

Dave Akins  
Steve Fox

##### **Painters (2 FTE)**

Maria Huffman  
Matt Arena

##### **Laborer/Janitor (1 FTE)**

Travis Hathorn

## **VACANCIES**

The goal for “make ready” time of each vacant unit is 9 days. Acceptable time parameters are reached when the overall average unit turnaround time is 20 days or less. The previous PHAS score indicator of Maintenance & Occupancy combined “A” = 20 or less days. HACSA will continue to strive to meet both the “make ready” and combined turn time goals.

How vacancies are identified:

- a) Residents give 30 day Intent to Vacate Notice to Occupancy Staff
- b) Residents turn their keys into the Property Management Division Office
- c) A “Resident skip” may be reported by either Occupancy or Maintenance Department Staff
- d) Evictions are tracked by the Property Manager (Occupancy)

All of the above information is updated on an ongoing basis by the Property Manager/Assistant Property Managers.

HACSA is committed to providing a Pre-Vacate inspection on all units that have not been inspected in the 30 days prior to the receipt of the Vacant Notice. The pre-vacate inspection provides both HACSA and the resident with an overall assessment of the entire unit and identifies potential cleaning concerns, damages and expected repairs. In addition this inspection will:

- Provide the Resident with information on unit cleaning and how to maximize the return of their deposit
- Inform the Resident of potential damage fees and cleaning charges
- Assist HACSA to plan for cleaning and maintenance that will be needed at the time of vacate
- Allow HACSA to order items needed for repair or replacement at the time of vacate, to minimize vacate “make ready”
- Provides the opportunity for HACSA to pre-schedule work with Contractors
- Allows HACSA to better estimate the expected date for future occupancy by a new Resident to again minimize overall “turn time”

A letter explaining vacate procedures is given to each resident along with a copy of the Intent to Vacate and Cleaning Check List.

At the time a resident turns in keys to the Property Management Division office, the receptionist immediately notifies the Property Manager/Assistant Property Manager. A Vacate Work Order is generated by the APM. The Property Manager inspects the unit, documenting the condition of the unit by photo documentation and completes a vacate Master Worksheet, which is distributed to the maintenance staff. A copy of the Master Worksheet is used by all maintenance parties involved to ensure all items from the vacate are completed in a timely manner. Maintenance staff record parts, labor & costs used on this form and return it to the APM when their work is completed.

Although vacate turnaround time is no longer a measurable component of PHASS, HACSA will continue to use this former component as an internal benchmark.

## **TRACKING**

Maintenance staff provides verbal/written status reports to the Property Manager/Assistant Property Manager each day. Fee for Service (FFS) Staff provide a verbal/written status to the FFS Manager at the end of each day. The Property Manager/Assistant Property Manager then uses this data to track vacate progress on a daily basis through verbal status reports, work sheets and work orders. Each week the Property Manager/Assistant Property Manager provides a list of vacant unit addresses, along with the projected date the unit will be ready for Occupancy to the Property Management Director, Program Supervisor and the Occupancy Coordinator.

## **QUALITY CONTROL**

After all deficiencies on the Vacate Work Order have been completed by the Maintenance Staff and the final vacate cleaning is completed, the Maintenance Mechanic or Site Maintenance Specialist will then inspect the unit, recording on a Unit Condition Survey Report (‘Exhibit A’ Form), the actual condition of the unit prior to Occupancy.

If further deficiencies are found during this time, or the repairs do not meet HACSA performance standards, work is reassigned to Maintenance Staff or the appropriate service contractor is called back. Unresolved problems are referred to the Property Management Division Director who may follow the HACSA Personnel Procedures or address a plan of correction as needed.

HACSA will conduct random QC audits of both inspections and Work Orders to ensure quality standards are met.

## **VACATE TRACKING REPORTS**

The Vacate Tracking Report is a computer-generated report that is published monthly. The report provides the total number of vacancies by unit address for the fiscal year, down time, make ready time, lease up time, total vacancy loss time, plus other pertinent information used for our internal tracking and documentation. FFS Staff contribute data on vacates where assistance for painting and other support services are requested by the Property Manager.

The Vacate Tracking Report is provided to the Property Managers, Occupancy Coordinator, Program Supervisor, Property and Management Division Director on a monthly basis

## **WORK ORDERS**

### **DEFINITIONS**

A Work Order is defined as a written "directive" containing one or more tasks issued to HACSA Maintenance Staff or contractors to perform one or more tasks on HACSA property.

When completed, this directive includes:

1. Description of the location of the required work
2. Description of the type of work to be performed
3. Date and time work request was received
4. Date and time work is satisfactorily completed
5. Parts used to complete the repairs
6. Cost of parts used
7. Whether damage was caused by the resident
8. If applicable, charges to the resident for resident-caused damages
9. Name of maintenance employee completing the work

In addition, the work order is entered into a computer software system where the status of all work orders can be viewed to discern designated type (emergency or non-emergency), date issued, and completion date.

An Emergency Work Order is defined as a work order, from any source, that involves a circumstance that poses an immediate threat to life, health, safety, property, or that is related to fire safety.

A Non-Emergency Work Order is defined as any work order that covers a situation that is not an immediate threat to life, health, safety, property or that is unrelated to fire safety.

A Resident Generated Work Order is defined as a work order issued by HACSA in response to a request from a lease holder or family member of a lease holder.

A Management Generated Work Order is defined as any work order issued in response to a request from within the PHA administration.

A Cyclical Work Order is defined as a work order generated for the performance of routine maintenance work that is carried out in the same manner at regular intervals.

A Preventive Maintenance Work Order is defined as any work order completed on a regularly scheduled basis in order to prevent deterioration or breakdowns in individual units or major systems.

A Vacant Unit Turnaround Work Order is defined as a work order created and issued that directs work for a vacant unit to be made ready for re-leasing to a new resident. It would reflect all work items necessary to prepare the unit for re-occupancy.

A Deferred For Modernization Work Order is for any work that is identified under HACSA's modernization program or other capital improvement program, as combined with similar work items and completed within HACSA's current PHAS assessed fiscal year, or will be completed in the following year if there are less than three months remaining before the end of the fiscal year when the work order was generated.

Note: These work orders are "deferred" because it is reasonable to not expend resources now on fixing a particular deficiency that will be addressed in a reasonable time as part of a larger physical improvement program.

**WORK ORDER GOALS**

It is HACSA's goal to abate emergency conditions within eight (8) hours of notice. Actual response requirements allow the Agency to abate the emergency component of the problem in 24 hours or less.

It is the goal of HACSA to complete all non-emergency work orders within an average of 15 days. Actual response requirements allow the Agency to complete work orders within an average of 25 days or less.

## **WORK ORDER DOCUMENTATION**

HACSA will maintain sufficient documentation of Work Orders to validate information entered into the Work Order System. Such documentation will include Maintenance Staff Time spent on the Work Order, invoices for parts and materials, etc.

## **ANNUAL INSPECTIONS**

Inspections of dwelling units and major systems are required annually to meet PHAS requirements. HACSA inspects each dwelling unit annually using local housing occupancy standards that provide for a complete thorough inspection, insuring a uniform and consistent outcome. These standards follow along with the guidelines as outlined by the Uniform Physical Condition Standards (UPCS) under 'Uniform Physical Inspection' Deficiency Definitions.

Unit inspections will be completed by Sight Maintenance Specialists (SMS) at complexes where SMS's are assigned (Cresview Villa, Pengra Court, Maplewood Meadows, Parkview Terrace, Veneta Villa, Laurelwood Homes, Village Oaks, Fourteen Pines, Firwood Apartments) and by Maintenance Mechanics at all other sites, including Scattered Site units. Maintenance Mechanics will also complete unit inspections on all units that are inhabited by SMS's.

HACSA annually inspects major systems such as, but not limited to: structural/building envelopes which include roofing, walls, windows, hardware, flashing and caulking; mechanical systems which include heating, air conditioning, ventilation, plumbing, drainage, and underground utilities; and electrical systems which include underground systems, above ground systems, elevators, electronic security devices, fire alarms, smoke alarms, outdoor lighting and indoor lighting.

System inspections will be completed primarily by Site Maintenance Specialist's, Maintenance Mechanics. HACSA will use contractors when the required inspection exceeds the capabilities of Maintenance staff or licenses or certifications are required.

HACSA has successfully incorporated a Preventive Maintenance (PM) program and inspection into each unit and system inspection. The intent of PM is to ensure that all facilities, equipment and systems remain in good operable condition at all times. PM minimizes the need for regular maintenance and extraordinary repairs and extends the lifetime of facilities, equipment and systems. Other advantages include increased resident satisfaction, fewer complaints, and increased maintenance staff productivity.

Although unit and system inspections are no longer a component of PHAS, HACSA will incorporate these inspections into the Preventive Maintenance program.

## **SERVICE CONTRACTS**

HACSA may need to contract with outside firms when the required services exceed the capabilities of the maintenance staff, when there are other limiting factors such as time or resources to perform the tasks, when tasks require license or certifications the maintenance staff do not possess, or when tasks can be performed more economically by a contractor. All service contractors will be selected by use of the competitive cost quote or proposal method and in accordance with HACSA's procurement policy.

## **PREVENTATIVE MAINTENANCE**

*This is a placeholder – add future PM plan currently in development.*

## **EXTRAORDINARY MAINTENANCE**

HACSA has established that all routine operating repairs or replacements over \$1000, excluding vacant unit's restoration, will be considered extraordinary maintenance. Each AMP will maintain a budget line item to address extraordinary maintenance expenses. Items may also be referred to HACSA's CAP Fund Coordinator.

## **RESOURCE CONSERVATION**

Please refer to HACSA's [Resource Conservation Plan](#) for energy conservation information.

## **GREEN BUILDING OPERATIONS AND MAINTENANCE**

Material selection will favor non- or low- Volatile Organic Compounds (VOC) paint, adhesives, finishes, and non- or low-formaldehyde-releasing materials to reduce the amount of indoor air pollutants. These same standards are required of our contractors and subcontractors working on HACSA properties.

Each AMP is responsible for purchasing general materials and supplies to be used at HACSA properties. Whenever possible, supplies are purchased that assist HACSA in its goal to conserve energy, improve water conservation, improve indoor air quality, and reduce waste reduction and hazardous material disposal. These same standards are required of our contractors and subcontractors working on HACSA properties.

## INTEGRATED PEST MANAGEMENT

Please refer to HACSA's [Integrated Pest Management Plan](#) for pest control procedures and information.

## SNOW AND ICE MANAGEMENT

Please refer to HACSA's [Snow and Ice Removal Plan](#).

For the safety of HACSA employees and residents, HACSA will remove snow from the sidewalks and entry ways at each of the following complexes maintained by the Property Management Division:

Abbie Lane	Fourteen Pines
Village Oaks	Firwood Apartments
Pengra Court	Cresview Villa
Riverview Terrace	Parkview Terrace
Lindeborg Place	Maplewood Meadows
Veneta Villa	Laurelwood Homes
McKenzie Village	

Snow will be removed from the sidewalks and entry ways at both the Day Island (DI) and Fairview (FV) offices. Snow or ice removal in the DI and FV parking lots will occur only as time allows and only after snow and ice removal has been completed at all other HACSA maintained sites.

The start time for snow removal or ice treatment will depend on condition, but will occur no earlier than 8 am. Snow removal procedures will be initiated after receiving two or more inches of snow.

HACSA will treat sidewalks and entry ways for ice, with approved products. Treatment for ice will occur when ice forms after a snow melt or any other time ice forms on sidewalks and entry ways.

Documentation of these actions will be confirmed by timesheets/work orders and maintained by HACSA for each day of snow removal or ice treatment.

# INTEGRATED PEST MANAGEMENT (IPM) PROGRAM

*Revised March 2016*

What is a pest? Living organisms fulfill their natural roles wherever they are, but only when they impact unfavorably on human life and activities are they considered pests. A "pest" then is an organism with characteristics that people see as damaging or unwanted, interfering with human lifestyles including, but not limited to, the damage to property, agriculture, and the ecosystem.

Unlike any single method or tactic of pest control, the IPM approach to pests will employ a combination of tactics, including education, sanitation, monitoring, habitat modification, and the judicious use of pesticides, when necessary. All HACSA housing, single and multi-unit structures, and their surroundings will benefit from the combined team effort to minimize exposure to potentially hazardous pesticides that may be required to eradicate pests.

The IPM system will address the specific steps required for effective prevention, control and elimination of pests by:

1. Pest Management Objective:

Maintaining a safe and sanitary living environment for all residents.

2. Definition of Roles and Responsibilities:

All persons involved in the pest management system (for instance; residents and HACSA's staff or contracted pest Control Company) will have communication.

3. Inspection and Monitoring:

Responding to pest problems on a consistent basis, and to determine when further action is needed. Residents, Maintenance Staff, Property Managers, and pest control specialists will be involved, providing and sharing information.

Management Methods:

Any action which reduces the number of pests, the habitat, and improves the residents' living conditions will be used on an on-going effort to control pests. The Agency will take appropriate IPM action, utilizing the least toxic, and most effective and efficient application technique. The method employed will offer the least possible hazard to people, property, and the environment.

## 1. OBJECTIVES

The objective of the HACSA pest management program is to be as efficient and effective as possible in responding to resident reports of pest problems, with our available resources.

The IPM (Integrated Pest Management) approach is to manage pests, reduce costs, and protect human health and environmental quality. The IPM system will apply an overall approach to pest identification and management and, take advantage of all appropriate pest management options including, but not limited to pesticides.

HACSA will focus on prevention efforts including, but not limited to, resident and employee education, unit sanitation and preventative maintenance inspections. Understanding, cooperation, and commitment from everyone is needed in order for IPM to succeed

## **2. ROLES AND RESPONSIBILITIES**

Key to the success of this system is the interaction among the people involved in pest management process; residents, HASA staff, contractors, and decision-makers who share the information necessary to achieve the pest management objectives. Their functions and responsibilities are identified below.

### **Residents**

Residents will be informed of the importance of their cooperation and communication with HACSA for guidance, assistance or service.

Residents will receive information as to their roles in HACSA's pest management system in the form of a packet of information provided at their initial lease signing appointment. Their responsibility is to maintain a clean and pest free living environment. Residents are responsible for eradicating pest infestations resulting from their living conditions such as trash, food spills and debris. For major infestations the resident will call in a work order after they have attempted to exterminate.

The resident is in the best position to observe pests. Observations of pest infestations, or the damage they do, should be reported by calling in a Work Order. A HACSA employee or pest control contractor may follow up with an inspection to determine the appropriate corrective action.

Residents should be aware of signs that indicate the presence of pests. The Resident Handout will help them identify the normal problem pests. Noting and reporting these signs to HASA will help in the detection and control of pests. Residents will be advised of their responsibilities in pest management, such as vacuuming, sanitation, removal of clutter, handling and disposing trash and food storage methods which can allow pests to survive in the home.

### **HACSA's Staff**

HACSA's staff or a pest-control contractor will evaluate the extent of the pest infestation, impact on the unit and development and determine how to achieve the pest management objectives.

While performing inspections or repairs, the HACSA's maintenance staff also have the opportunity to observe the presence of pests or the results of their infestations, and should immediately report such infestations. HACSA will respond quickly to such observations and provide advice/education to the resident or call the Pest Control Contractor.

Staff will also respond to the resident and contractor observations by initiating an inspection of the environmental conditions of the development, and the unit, to determine any additional problems that may continue to support the existence (biological - food, water, shelter) of the pest population.

HACSA staff is responsible for determining whether the pest contractor is performing according to contracted terms, at an acceptable level, and whether the pest management objectives are being met. HACSA will periodically monitor the development or unit's environment, evaluate the results of any habitat modification and pesticide treatment to determine any further actions required. HACSA will maintain records of all professional services performed.

**Pest Control Contractor:**

The assigned staff/contractor will identify the pest (to species, if possible) and determine the methods necessary to eradicate the pest and, the tolerance levels, and the recommended measures to be used to achieve control or eradication. The Services Contract will specifically identify the pest company's responsibilities.

Repairs of leaks and exclusion measures, will be the responsibility of HACSA

The pest control contractor will take whatever means are needed to manage the pest populations, including the use of pesticides, if necessary, in accordance with the contract.

The pest contractor will communicate any potential risks from pesticide use to the residents and HACSA's staff. The pest contractor/HACSA staff will monitor the development's environment and pest population to determine if the actions were successful, and will maintain accurate records of any pesticides used, the amounts, and the treatment dates.

HACSA staff may rely on the expertise of its pest contractor in recommending treatment especially when ordering restricted use pesticides or requesting assistance from the local public health department, the Department of Agriculture, or a pest control specialist.

Any contracted Pest control contractor will understand pesticide toxicity as it relates to human exposure, know the appropriate safety equipment, procedures, and handling of pesticides, know the signs and symptoms of pesticide poisoning in humans, and be able to provide appropriate emergency procedures, The Contractor will be involved in both selecting pesticides with lower toxicity, and reducing exposure to pesticides. Containerized baits or baits injected into cracks and crevices pose less risk than open baits, granular materials have less risk potential than dusts and sprays are less risky than fogs or vapors, assuming that all have the same toxicity.

The pest control contractor will select the method and treatment with the least toxicity that will deliver most effective treatment. It should be applied in the most efficient manner that will provide the longest time in contact with the pest and be applied during the pest's most vulnerable stage. In all cases, the contractor will be encouraged to use 'green' procedures, whenever appropriate. Due to the toxic nature of many pesticides, materials will be used only by certified applicators, in a manner to ensure maximum efficiency, with minimal risk to people or pets. At times pesticides may be applied when a unit is unoccupied and properly ventilated.

Governments have established requirements to protect the general public, the environment, and those who apply pesticides. Anyone using restricted-use pesticides in any category must be certified or apply pesticides under the direct supervision of someone who is certified through the EPA, and Oregon Dept. of Agriculture.

Certified applicators contracted with HACSA, will provide a copy of a current certification for the contract file. HACSA staff or contractors hired to control pests on public housing property must be certified or under the supervision of a certified applicator.

Each contractor will ensure that the pesticides used will not result in hazards to people in the dwelling units or on the grounds. Spills or leaks during mixing, loading, transporting, and disposing should be prevented.

Each contractor will provide a written report detailing the area applied, material used, mixture ratio, amount applied, EPA registration number, and the date and time of service.

### **3. INSPECTIONS, MANAGEMENT METHODS & MONITORING:**

One of the primary goals of the pest management program is to identify realistic and economically sound ways that eliminate those elements which pests need for survival. Neglecting any of these methods strengthens the pests' ability to survive and flourish.

The identification of pests and the extent of infestation are vital. Eliminating the pest's desired habitat is an important step in IPM process. HACSA performs routine inspections of both housing units and common areas. These inspections are important to the identification of pest infestations. Once pests have been identified and the sources of their activity are pinpointed, habitat modifications—primarily exclusion, repair and sanitation will be performed.

HACSA's IPM program consists of a cycle of monitoring, evaluating, and choosing the appropriate method of control. Monitoring includes inspection of areas for evidence of pests, entry points, availability of food, water, and harborage, and estimating pest population levels. The information gained through monitoring is evaluated to determine whether the action threshold has been exceeded and what can be done in the way of prevention.

- ✓ HACSA supports 'green' pest management.
- ✓ HACSA only uses USDA approved non-toxic pest treatments.
- ✓ HACSA residents are responsible for pest management except for major infestations.
- ✓ HACSA residents should contact their Property Manager directly for questions or assistance.



## **PEST MANAGEMENT** INFORMATION FOR RESIDENTS OF HACSA HOUSING

***This information is about the pests that are often found in and around a home***

### HACSA SUPPORTS 'GREEN' PEST MANAGEMENT

When you first move in, HACSA will have thoroughly cleaned your home and it should be pest free.

A clean home eliminates many of the nuisance pests often found in Lane County. As a resident of HACSA Housing you are responsible for maintaining and cleaning your home.

The earlier you address a pest problem, the sooner you can rid yourself of the pests and prevent a more serious pest infestation.

HACSA residents are responsible for pest management, except for major infestations. Please follow the steps outlined below. If you have followed the recommendations below and you continue to have issues, please contact your Property Manager or Assistance Property Manager as soon as possible to request service.

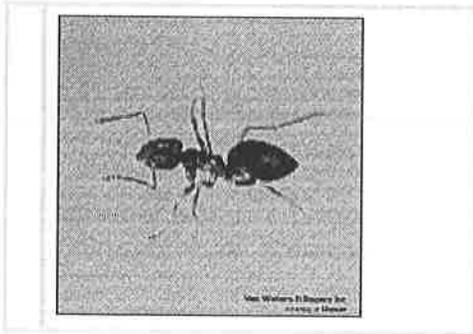
When you call, be sure to describe the bugs, where they were found in your unit and what steps you have taken to rid them from your home.

Pest control professionals, sometimes known as exterminators and pest control technicians, are contracted through HACSA to respond to major infestations. The Property Manager or Assistance Property Manager will contact the pest control company directly. We will use only companies licensed to perform pest management and eradication through the Oregon Department of Agriculture.

Restricted sprays and baits will only be used by authorized professional applicators and will be applied at the lowest ratio possible for proper treatment. Any product they are authorized to use is considered safe for use in homes. The Pest Control company will contact you directly to set a day and time to perform its services.

Please phone your Property Manager or Assistance Property Manager if you have questions or concerns. Remember that the earlier you report an issue, the easier it is for us to help you resolve it.

### Odorous House Ants



<http://www.ipm.ucdavis.edu/TOOLS/ANTKEY/odorous.html>

This ant gets its name from the strong, rotten coconut-like smell it gives off when crushed. These tiny insects range in size from one-sixteenth of an inch to one-eighth of an inch long.

**Habits:** Odorous house ants like to eat sweets, especially melon.

**Habitat:** Typically living for several years, these ants make their homes in exposed soil and wall cracks.

**Threats:** These ants do not pose a public health risk, but they can contaminate food and should be avoided.

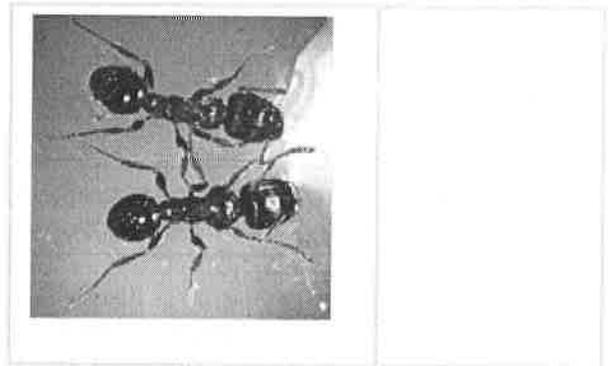
**Prevention:** Eliminate standing water. Pests, such as odorous house ants, are attracted to moisture. Keep tree branches and other plants cut back from the house. Sometimes pests use these branches to get into your home. Make sure that there are no cracks or little openings around the bottom of your house. Sometimes pests use these to get into your home. Do not store wood

next to your home. Pests like to build nests in stacks of wood.

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### Pavement Ants

*Tetramorium caespitum* (L.)



<http://www.ipm.ucdavis.edu/TOOLS/ANTKEY/pavement.html>

Pavement ants get their name because they make their nests in or under cracks in pavement. They can infest structures.

**Habits:** These ants will eat almost anything, including insects, seeds, honeydew, honey, bread, meats, nuts and cheese.

**Habitat:** These ants live in or under pavement cracks.

**Threats:** These ants do not pose a public health risk, but they can contaminate food and should be avoided.

**Prevention:** Eliminate standing water. Pests, such as ants, are attracted to moisture. Keep tree branches and other plants cut back from the house. Sometimes pests use these branches to get into your home. Make sure that firewood and building

## HACSA PEST INFORMATION

materials are not stored next to your home. Pests like to build nests in stacks of wood.

Make sure that there are no cracks or little openings around your house. Sometimes pests use these to get into your home.

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deposits of droppings, secretions, cast skins, and dead bodies of roaches.

**Prevention:** Good sanitation and habitat reduction, along with vacuuming, surveillance, a baiting program, and some sealing of cracks can usually quickly reduce or eliminate a cockroach population.

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### **Cockroaches**

*Periplaneta americana* (L.)



<http://www.ipm.ucdavis.edu/PMG/PESTNOTES/pn7467.html>

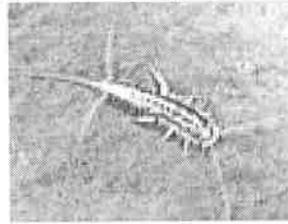
The American cockroach is the largest of the house-infesting cockroach.

**Habits:** American cockroaches are found in food processing areas and food storage areas, as well as other types of buildings. They are active when the temperature is 70 degrees or higher, but they can survive lower temperatures with the right conditions.

**Habitat:** American cockroaches are often found in sewers and basements, particularly around pipes and drains.

**Threats:** Cockroaches have been reported to spread at least 33 kinds of bacteria, six kinds of parasitic worms, and at least seven other kinds of human pathogens. They can pick up germs on the spines of their legs and bodies as they crawl through decaying matter or sewage and then carry these into food or onto food surfaces. Germs that cockroaches eat from decaying matter or sewage are protected while in their bodies and may remain infective for several weeks longer than if they had been exposed to cleaning agents, rinse water, or just sunlight and air. Recent medical studies have shown that cockroach allergens cause lots of allergic reactions in inner city children. They were even shown to cause asthma in children. These allergens build up in

### **Silverfish**



<http://www.ipm.ucdavis.edu/PMG/PESTNOTES/pn7475.html>

#### **Silverfish Appearance**

Silverfish are about 1/2 inch long, with a uniform silvery color over the upper surface. Their bodies are long and slender, flattened. The bodies are broad at the front, and gradually tapering toward the rear. They can be found almost anywhere, but prefer damp, moderate temperature places such as basements, laundry rooms, and under sinks.

**Habits:** Silverfish prefer a dark, moist environment and require a large supply of starchy foods or molds.

Silverfish are considered to be nuisance pests that can feed on wallpaper pastes, natural textiles, books, and papers. Silverfish also feed on mold or fungi that can grow on various surfaces. They are fast-moving and can travel throughout buildings.

Once silverfish find a good source of food, however, they stay close to it. Silverfish go through only a three stage life cycle called gradual metamorphosis, while many insects have a four stage life cycle (complete metamorphosis). Silverfish may lay eggs at any time during the year, and take 19-43 days to hatch. The life cycle from silverfish egg to adult is three to four months.

You may see silverfish trapped in sinks and bathtubs because they enter

seeking moisture and are unable to climb a slick vertical surface to escape. Silverfish are active at night or are active in dark places.

**How to Get Rid of and Kill Silverfish:**

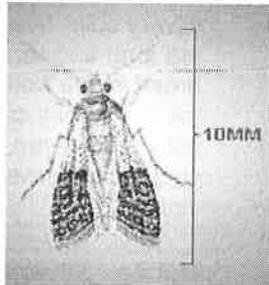
Sources of any undue moisture, such as faulty plumbing or condensation that provide the humidity favored by these pests should be eliminated. Dehumidifying reduces the moisture content of the air that these insects find essential. Some methods for dehumidifying include: Ventilate closed rooms and attics. Eliminate standing water. Regularly vacuuming cracks and crevices with a narrow vacuum tip also can be a good method to physically remove these insects from their harborages. Removal of food sources, stored in tight containers.

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**Pantry Pests**

<http://www.ipm.ucdavis.edu/PMG/PESTNOTES/pn7452.html>

These truly can be a "pest." As a group, they are collectively called "pantry pests."



They have an appetite for stored food products (people and pet foods) such as:

flour, cereal, dry pasta, dry pet food, powdered milk, corn starch, crackers, spices, breads, bird seed, dried nuts, and fruit.

They become especially troublesome when these foodstuffs are stored in paper containers and go unused for extended periods of time. These pests are important to the householder because they cause food waste and infestations can be persistent.

**Identifying:** Initially, infestations are easy to overlook because the insects involved are quite small, especially the egg and larval stages. These insects can be brought into homes in packaged foods, although they may enter from outside sources, or from adjacent apartments. Often the first indication of the infestation is the appearance of small moths flying about or the presence of beetles in or near the food

package.

Their presence in the home does not necessarily reflect on the quality of the housekeeper. The majority of these pests are either beetles or moths. The adult stage is the most easily detected as they often leave the infested material in search of new locations, or are attracted to lights.

The larval or immature stages are either caterpillars or grubs. These spend most of their life in the infested material, and are usually similar in color to the food that they are living in. The eggs of these insects are quite small and usually go unnoticed.

The pupa stage may take place away from the infested food in corners or cracks in the cupboards or packaging. The length of time to complete their life cycle varies greatly, depending on temperature, relative humidity, and the quality of the food supply. Most pantry pests can complete several generations in one year. They can also breed continuously as they usually exist in favorable conditions

**Pantry Pest Prevention and Sanitation:**

Place exposed food in containers with tight-fitting lids. Periodic cleaning of the shelves helps to prevent infestation of stored food products by pantry pests. Certain pantry pests need only small amounts of food to live and breed. Some infestations of packaged food originate in the food-processing plant or warehouse. Broken packages should not be purchased, or should be exchanged for unbroken packages when discovered, for the chance of these being infested is greater than for perfectly sealed ones.

Do not mix old and new lots of foodstuffs. If the old material is infested, the pest will quickly invade the new. If you are unsure about an item being infested, place it in a plastic bag where you will be able to catch anything that emerges. If you find the pantry pests accumulating in the bag, you know the foodstuff is contaminated and needs to be discarded.

To insure any item is pest free, store it in these clear bags for at least a month.

## HACSA PEST INFORMATION

Sometimes it takes even longer for the adults to emerge.

Infestations are most likely to occur in packages that have been opened for the removal of a portion of the contents and then left unsealed for long periods. Some of the pests may find their way into other food packages, but even those in a single package may become so numerous that large numbers may find their way into every suitable material in the home, and will eventually crawl over floors, climb up walls, and gather about windows.

- Clean old containers before filling them with fresh food. They may be contaminated and cause a new infestation. Make sure that cabinets and storage units are tight and can be cleaned easily.
- Store bulk materials, such as pet foods, in containers with tight-fitting lids.
- Keep storage units dry. This is important because moisture favors the development of pantry pests; dryness discourages them.
- Some pantry insects breed in the nests of rodents and insects and may migrate from these into homes. Eliminate any nests found in or near the home.
- Pantry pests can also breed in rodent baits. Be sure to frequently check and discard infested baits.



Available at most grocery or hardware stores. The Pantry Pest Trap (Safer) uses a powerful attractant that has a strong effect on certain moths. It is used to trap a variety of moths.

## **Bed Bugs**

<http://www.ipm.ucdavis.edu/PMG/PESTNOTES/pn7454.html>



Bed bugs feed only on the blood of humans and other warm-blooded hosts. Although they

have a cryptic behavior and can conceal themselves in tight cracks and crevices, bed bugs are often found in bed parts, such as mattresses and box springs; hence, the common name.

Unfed adults are mahogany to rusty brown; an engorged bed bug is red-brown after a blood meal. Nymphs (baby bed bugs) are nearly colorless when they first hatch and become brownish as they mature.

The common bed bug (*Cimex lectularius* Linnaeus 1758) is a parasite which lives on the outside of the body of the host of the family Cimicidae. Bed bugs feed only on the blood of humans and other warm-blooded hosts.

Habits: Bed bugs like to travel and *are good hitchhikers*. They will hide in suitcases, boxes and shoes to be near a food supply. They are elusive, nocturnal creatures. They can hide behind baseboards and in cracks, crevices, and folded areas of beds, bedding and adjacent furniture, especially mattresses and box springs. Bed bugs can also hide in electrical switch plates, picture frames, wallpaper, and nearly anywhere inside a home, car, bus, or other shelter. Bed bugs usually come out at night for a blood meal. However, they are opportunistic insects and can take a blood meal during the day, especially in heavily-infested areas. Bed bugs usually require 5-10 minutes to engorge with blood.

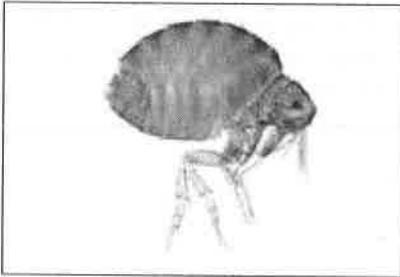
Habitat: Bed Bugs like to hide in small cracks and crevices close to a human environment. They can be found behind baseboards, wallpaper, upholstery, and in furniture crevices. Bed bugs are also known to survive in temporary or alternative habitats, such as backpacks and under the seats in cars, busses and trains.

Bed Bug Threats: Although bed bugs can dine on any warm-blooded animal, they primarily dine on humans. *Bed bugs do not transmit diseases, but their bites can become red, itchy welts.*

**BED BUG Prevention:** Check your bed sheets for tell-tale blood spots. A small flashlight may assist you with quick visual inspections. Never bring second-hand furniture, especially mattresses and box springs, into a home without thoroughly examining for signs of a bed bug infestation. Regularly inspect areas where pets sleep for signs of bed bugs.

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## Fleas



<http://www.ipm.ucdavis.edu/PMG/PESTNOTES/pn7419.html>

Fleas are small (1/16"), dark, reddish-brown, wingless, blood-sucking insects. Their bodies are laterally compressed, (i.e., flattened side to side) permitting easy movement through the hairs on the host's body. Their legs are long and well adapted for jumping. The flea body is hard, polished, and covered with many hairs and short spines directed backward. The mouthparts of an adult flea are adapted for sucking blood from a host.

The cat flea is the most frequently found flea, although the dog, human, and stick tight fleas are also found in Florida. Fleas may attack a wide variety of warm-blooded animals including dogs, humans, chickens, rabbits, squirrels, rats and mice. The female flea lays her tiny, white eggs loosely on the hairs, in the feathers, or in the habitat of the host. The eggs readily fall off the host onto the ground, floors, bedding, or furniture. Some fleas can lay 500 eggs over a period of several months by laying batches of three to eighteen eggs at a time. The tiny eggs hatch in one to twelve days after being deposited. The white, worm-like larva avoids light and feeds on particles of dead animal or vegetable matter generally present in cracks and crevices. Within 7 to

14 days, unless food has been scarce, the third larval stage is completed, and the larva spins a tiny cocoon and pupates. Usually after a week the adult flea emerges and begins its search for blood (yours or your pets!)

Adult fleas must feed on blood in order to reproduce; however, adults can live for long periods without feeding. Fleas usually live and breed most heavily where pets rest. Persons coming near these resting places are also subject to attack. If fleas are established in a home, they will feed on man as well as on the pets. *The usual places of attack are the ankles and lower portions of the legs.*

**Pet Treatment:** Flea collars are sold under several trade names and are sometimes effective on small, short-haired dogs or cats that are not subjected to flea-infested areas.

Other treatments are usually necessary to supplement flea collars on large, long-haired pets that are allowed freedom outdoors. Also, some pets may be allergic to flea collars. Ultrasonic flea collars have not been found to kill or repel fleas.

Veterinarians may prescribe or apply pesticides not available over the counter. Oral flea medication prescribed by veterinarians has provided control of fleas when pets are not allowed outdoors and effective flea control is accomplished in the house and yard. Topical or spot treatment has provided effective residual control.

Pets may be combed or shampooed frequently to remove adult fleas before they can irritate the pet or lay eggs. Frequent removal of fleas can quite effectively reduce flea infestations.

To be certain pets remain free of fleas, it is necessary to make routine use of flea control products, especially if pets are allowed to contact infested animals or premises.

Dust treatments should be applied carefully and rubbed into the fur working from the head to the tail. Special attention should be given to the top of the head, the neck, and

## HACSA PEST INFORMATION

the back. Apply treatments outdoors so fleas that leave the animals do not remain indoors.

Premise Treatment – Fleas: Pets become re-infested with fleas from premises. For the most effective control, sleeping areas, bedding kennels, and other areas frequented by the animal should be treated at the time the pet treatment is made. *Treatments may or may not include the use of pesticides.*

Non-pesticide premise control includes thorough and frequent cleaning of the house. All rugs should be thoroughly cleaned with a vacuum cleaner or a steam cleaner. Infested furniture, pet baskets, and cracks should be thoroughly cleaned to prevent the larvae from finding food. Dirt which is collected should be disposed of immediately to destroy fleas and flea larvae.

*Many people remove pets from the home to attempt flea control. Flea infestations usually become more evident when pets are removed. Although, the hungry adult fleas prefer to feed on cats and dogs, when the pet is removed, the fleas overrun the home, frequently attacking humans. Dogs and cats can be used to attract fleas from the premises.*

Recommended pet treatments at frequent intervals can be used to kill the fleas. Start as soon as you suspect fleas in your home.

## HACSA RESOURCE CONSERVATION PLAN

### SECTION A: RELATIONSHIP BETWEEN MAINTENANCE AND RESOURCE CONSERVATION

Maintenance and resource conservation are interrelated. Systems that consume utilities are included in HACSA's comprehensive maintenance program. Well-maintained equipment operates at or near original operating specifications for its entire life cycle, resulting in the optimum use of resources. Poorly maintained equipment will become less efficient and use more resources. . Using the Preventive Maintenance program HACSA evaluates all systems annually to insure the optimum use of resources.

The major energy consumers in HACSA's units are water heaters, appliances, water, lighting, heating, ventilating, and HVAC systems. The major water consumers are toilets, showers, clothes washer, irrigation systems and leaky plumbing pipes. Proper installation, care, and maintenance of these systems, in addition to consumer habits, are vital to minimizing the resource consumption levels of HACSA's units.

### SECTION B: OPERATING AND MAINTENANCE MEASURES

There are several HACSA and resident-related operating and maintenance measures that can or have been implemented to control or reduce resource consumption. HACSA measures include procedures controlled by HACSA, while the resident-controlled measures are dependent on the residents' understanding of and concern for resource conservation, and their cooperation.

#### 1. HACSA-CONTROLLED PROCEDURES

HACSA management monitors the utility bills, checking for any spikes in usage, and determining why they have occurred. In addition, HACSA's maintenance program provides for the inspection, adjustment, and replacement of items such as:

- Cleaning refrigerator cooling coils annually
- Fixing dripping faucets and leaking water pipes
- Installing low flow toilets
- Installing low flow shower heads and sink aerators
- Caulking around windows and entrance doors and replacing as needed
- Performing efficiency tests on boilers and furnaces
- Setting controls on furnaces and water-heaters annually for proper and economical operation
- Weather-stripping doors and replacing as needed
- "Shutting down" vacant units by closing windows, turning off lights, appliances and setting the space-heating thermostat at 60 degrees F.
- Cleaning and lubing kitchen, bath and laundry vent fan motors and exhaust lines
- Upgrading inefficient appliances with Energy Star models as funds allow
- Cleaning, servicing and evaluating heat systems during the Annual Unit and Preventive Maintenance inspection
- Performing energy audits using HACSA's Energy Services Department

## 2. RESIDENT-CONTROLLED PROCEDURES

The resident-controlled energy conservation measures depend on the daily activities in the dwelling unit that only the resident can control. Residents are taught the principals and practices of resource conservation through the Tennant Advisory Group, the Resident Hand Book monthly News Letters and Unit Orientations. Residents are directed to call and report improperly functioning appliances and leaking plumbing to HACSA immediately. Residents are instructed in the proper use and cleaning of appliances, how to conserve water, to turn off unnecessary lights, efficient use of washers and dryers (use only with full loads), and efficient thermostat settings.

\*See also: Resident Education/Proper Use of Equipment section

### SECTION C: UPGRADING ENERGY CONSERVATION

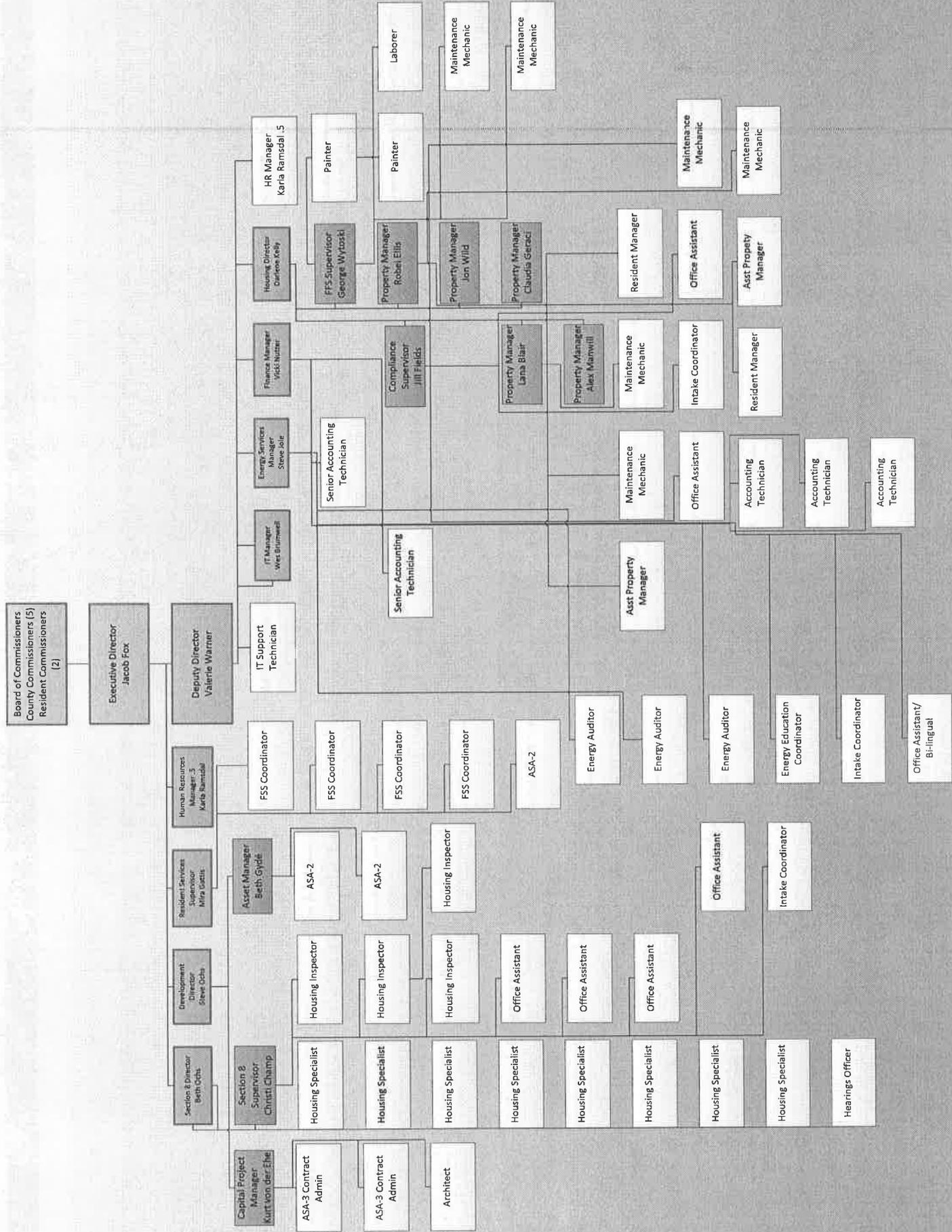
Energy-conservation measures can be upgraded by modification or replacement of systems to improve operating efficiencies and reduce energy consumption. Examples of energy conservation measures may include:

- Installing or adding to ceiling insulation
- Installing or adding to wall insulation
- Insulating bare hot-water and steam pipes
- Caulking and sealing building joints
- Adding or replacing weather-stripping for windows and doors
- Insulating water heaters located in unheated spaces
- Adding insulation to air ducts in unheated spaces
- Replacing old windows and doors with energy-efficient ones
- Replacing incandescent lighting fixtures with LED lights in spaces where lights are continuously
- Insulating floors over unheated crawl spaces
- Upgrading boiler controls for central, group, or building heating systems

Many of these measures will require capital expenditures. Before any measures are implemented, however, a cost-benefit analysis should be prepared for comparing the total cost of installation and the associated total savings. If the consumption analysis shows a payback period over the measured life of the component, the resource conservation measure should be implemented.

HACSA is committed to the long term reduction of energy and utility consumption by using the most current and up to date conservation measures, by using Energy Star products in unit and system upgrades or improvements and by using HACSA's Energy Services Division and Capital Fund Contract Administrator to insure compliance with the Energy Plan.

# Housing And Community Services Agency of Lane County



BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO: 16-01-26-01

IN THE MATTER OF

Re-Appointing a Resident Commissioner to the  
HACSA Board of Commissioners

**WHEREAS**, the HACSA By-Laws require the appointment of two resident commissioners; and

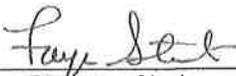
**WHEREAS**, the term of one resident commissioner is expiring; and

**WHEREAS**, a direct solicitation was made to all housing residents, and applications were reviewed; and

**WHEREAS**, the Board recommends that the following resident be appointed to the HACSA Board of COMMISSIONERS

**NOW, THEREFORE, IT IS HEREBY ORDERED** that Charene Reavis be appointed to the HACSA Board for a term of four years with that term expiring in January of 2020.

ADOPTED this 26th day of January, 2016.

  
\_\_\_\_\_  
Faye Stewart, Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM  
Date 1/26/16  
\_\_\_\_\_  
LANE COUNTY OFFICE OF LEGAL COUNSEL

IN THE BOARD OF COUNTY COMMISSIONERS  
OF LANE COUNTY, OREGON

ORDER NO. 14-01-28-01

)In the Matter of Appointing a  
)Resident Commissioner to the  
)HACSA Board of Commissioners

WHEREAS, the HACSA By-Laws require the appointment of two resident commissioners;  
and

WHEREAS, the term of one resident commissioner is expiring; and

WHEREAS, a direct solicitation was made to all housing residents, and applications were  
reviewed; and

WHEREAS, the Board recommends that the following resident be appointed to the  
HACSA Board of COMMISSIONERS

NOW THEREFORE, IT IS HEREBY ORDERED that Hugh Massengill be appointed to the  
HACSA Board for a term of four years with that term expiring in January of 2018.

DATED this 28<sup>th</sup> day of January 2014.



Pat Farr, Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 1/27/14 lane county

OFFICE OF LEGAL COUNSEL

In the Matter of Appointing a Resident Commissioner to the HACSA Board of Commissioners

**Element 5.**

Grievance Procedure

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The reference materials for Element 5 can be found in the following documents:

**5. Grievance Procedure**

<b>Program</b>	<b>Policy</b>	<b>Document</b>	<b>Location</b>
Public Housing	Grievance Policy	ACOP	Chapter 14
HCVF		Section 8 Admin Plan	Chapter 16

**Element 6.**

**Designated Housing for Elderly and Disabled Families**

N/A

**Element 7.**

**Community Service and Self Sufficiency**



# HACSA

Housing And Community Services Agency of Lane County  
177 Day Island Road, Eugene, OR 97401-2484



(541) 682-3755 | Fax (541) 682-3411 | [www.hacsa.org](http://www.hacsa.org)

## SELF SUFFICIENCY AND COMMUNITY SERVICES

**Self Sufficiency:** HACSA is committed to offering residents opportunities to move towards Self Sufficiency including the ability for seniors and persons with disabilities to have the tools and resources to age in place.

HACSA has an active Family Self-Sufficiency (FSS) program with participants from both the Section 8 Voucher program and the Public Housing program. In 2015, FSS served 231 families. FSS staff attends S8 briefings to explain and promote the benefits of the program (including homeownership) to new residents/participants. Outreach to Public Housing residents is done at intake and regular, on-site Resident Meeting. To date, 94 of the 324 graduates have moved to Homeownership. A total of \$1,868,414 in escrow savings has been distributed to families to be used for goals such as future home ownership, debt reduction, education, etc. A total of \$131,500 in IDA funds has been distributed to participants for home ownership, education, or adaptive technologies.

In addition, HACSA supports the move towards economic self-sufficiency by using the Earned Income Disallowance (EID) to encourage family members to return to work. For Public Housing residents, an EID is applied to increases in annual earned income for a family member who was unemployed for one or more years previous to employment; to increases in annual earned income for a family member during participation in qualified economic self-sufficiency or other job training program; or to increases in annual earned income during or within six months after receiving assistance under a state program for Temporary Assistance for Needy Families (TANF). During the initial twelve month exclusion period, the EID is applied to all increases in annual earned income. During the second twelve month exclusion period, the EID is applied to 50% of all increases in annual earned income. For Section 8 Housing Choice Voucher holders, EID's are applied when an annual income increase is the result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment; OR whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; OR whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for TANF. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

HACSA's utilizes the Policy on Welfare Benefit Reductions to encourage families to re-engage with Self Sufficiency Programs through the local Welfare office. This policy is incorporated into HACSA's Statement of Policies, as Appendix M. Under this policy, a family who received a reduction in their welfare grant because of fraud by a family member, or because of non-compliance with an economic self-sufficiency program, their rent remains stable rather than being reduced based on this change in income. This policy can assist families in having an incentive to re-engage.

HACSA continues to actively involve residents in activities that give them a voice in what happens in the complexes and at HACSA and increases a sense of empowerment for self determination. Since 1996, HACSA has overseen an advisory board made up of Resident Representatives who are elected by their peers from their respective housing developments. In 2015, this group changed its name from the Tenant Advisory Group (TAG) to the Resident Advisory Board (RAB) to better reflect the role they play with HACSA. The RAB reviews the components of the PHA Agency Plan annually which includes the

lease revision, and financial statements. HACSA uses this group to review policy changes that affect residents and to review grant applications for resident services. In addition, Resident Services staff assists residents in producing monthly newsletters for their respective housing developments, and support and facilitate regularly scheduled Resident Coordinating Group (RCG) meetings at HACSA's different housing complexes. Staff also assists the RAB in administering funds from the Resident Participation Fund, and in consulting with the various RCGs about expenditures from their respective Resident Accounts. Resident services staff partner with other community providers to assist residents with job search, connections to resources, referrals, resumes, and creating short and long term goals for self-sufficiency and stability. Funding associated with this position can also assist with job, or job search, related child care and transportation, as well as the cost of a GED, certifications, or job training. For seniors and persons with disabilities who are not able to work, staff can help coordinate services, assist with applications for benefits, and act as an advocate as needed. In addition, staff assists with on-site food distribution by resident volunteers in coordination with the local food bank. Each summer HACSA sponsors the Summer Meal Program at several of its housing development sites.

**Community Service:** HACSA's Community Service Policy is incorporated into HACSA's Statement of Policies, as Appendix H. During the intake process, each Public Housing applicant is required to sign a copy of HACSA's Community Service/Self-Sufficiency Compliance Certification, acknowledging their receipt of HACSA's Community Service Policy and acknowledging their requirement to contribute 96 hours per year in service to the Community or to participate in an economic self-sufficiency program, unless otherwise exempt from this requirement. At each Annual Re-Certification, HACSA's Public Housing participants are required to sign the Certification again and, if not exempt, present a completed documentation form of activities performed over the previous twelve (12) months. If a family is found to be non-compliant with this requirement at recertification, s/he and the Head of Household will sign an agreement with HACSA to make up the deficient hours over the next twelve (12) month period. If the family is found to be non-compliant at the next recertification, the lease will not be renewed and the entire family will have to vacate the unit unless the noncompliant member agrees to move out of the unit. HACSA's Resident Services staff is available to assist residents find ways to meet this requirement particularly with community agencies and resources that might help them move towards a personal goal. Some residents work with this department to volunteer for programs that assist other residents in accessing services such as the food programs that are on-site. Residents can also participate in HACSA's Family Self Sufficiency Program or the JOBS Program through DHS.

HOUSING AND COMMUNITY SERVICES AGENCY  
OF LANE COUNTY

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FAMILY SELF-SUFFICIENCY PROGRAM  
ACTION PLAN UPDATE  
January, 2015



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## SECTION I

### INTRODUCTION TO THE FAMILY SELF-SUFFICIENCY PROGRAM

Family Self-Sufficiency (FSS) is one of the Homeownership and Opportunity for People Everywhere (HOPE) initiatives enacted in the National Affordable Housing Act of 1990. It builds on the experience of two prior HUD initiatives, the Project Self-Sufficiency demonstration and Operation Bootstrap.

Family Self-Sufficiency mobilizes HUD housing assistance to leverage public- and private-sector services and resources that can help residents of Public Housing and Section 8 to achieve economic independence. Use of housing as a stabilizing force permits the families to invest their energy in other efforts - including employment, education, and job training - that are necessary to achieve self-sufficiency.

Public Housing Agencies PHAs work to develop and promote local strategies that coordinate Section 8 and Public Housing

The services that may be provided include, but are not limited to: child care; transportation; education; job training, job preparation and placement; treatment and counseling for substance and alcohol abuse; training in parenting skills; financial management; counseling about rental and homeownership opportunities in the private market; Individual Development Accounts, and other services necessary to help participating families become self-sufficient.

Family Self-Sufficiency represents a bold approach to helping families leave the welfare system or low-paying jobs and achieve economic self-sufficiency. Participants are given a ladder of opportunity to help them climb out of poverty and create a life of dignity and independence.

The overriding theme of Family Self-Sufficiency is to empower people to take control of their lives by becoming independent, productive members of their communities. Family Self-Sufficiency does not simply attack the symptoms of poverty; it tackles dependency on all fronts and replaces powerlessness with the opportunity for a better future.

As required by FSS Federal Regulations HACSA has established a Program Coordinating Committee (PCC) to help secure commitments of public and private resources. HACSA has set up one PCC that works with both the Public Housing and the Section 8 FSS Programs. The PCC developed the initial FSS Action Plan with HACSA and is involved in the ongoing implementation of this plan.

Current Committee members represent:

- Local agencies responsible for JOBS programs
- Department of Human Services / TANF
- Education and training institutions
- Private businesses
- Nonprofit service providers
- The PHA
- Public Housing and / or Section 8 residents who are participating in the FSS Program

Each participating family signs an FSS Contract of Participation and develops an Individual Training and Services Plan that spells out the services to be provided to the family and the obligations that the family agrees to undertake. Each family's service package will be individually designed to meet its particular need for services, training, counseling, and other assistance. The head of the family must agree to seek and maintain employment.

During the term of the FSS Contract of Participation, the Housing Authority will establish an interest-bearing FSS escrow account for each participating family. A portion of the increases in the family's rent because of increases in earned income will be credited to the FSS escrow account in accordance with HUD requirements. The Housing Authority will invest the FSS escrow account funds in HUD approved investments. The Housing Authority will give the family a report on the amount in the Family's escrow account once a year.

The Housing Authority will pay the head of the family the amount in the family's FSS escrow account, less any amount owed to the Housing Authority when:

1. The family has fulfilled all of its responsibilities under the contract.
2. The head of the family provides written certification that no member of the family has received any welfare assistance for the past twelve months.

OR

30% of the family's monthly adjusted income equals or is greater than the Fair Market Rent amount for the unit size for which the family qualifies.

There are no restrictions on what can be purchased with the escrow funds.

The Housing Authority may permit the family to withdraw funds from the FSS escrow account before completion of the contract if the family has completed specific interim goals, designated by the Housing Authority and needs some of the FSS escrow account funds to complete the contract.

If a family leaves the program without completing the contract, or they has their contract terminated, or if their contract is declared null and void they will forfeit any money in their escrow accounts.

## **SECTION II**

### **FAMILIES EXPECTED TO PARTICIPATE IN THE FSS PROGRAM**

Description of the number, size, characteristics, and other demographics (including racial and ethnic data) of the families expected to participate in the FSS program

Anyone who is a resident of a HACSA Public Housing unit or Section 8 Housing Choice Voucher Program is eligible to participate in the FSS Program. HACSA provides services to residents who reside in Lane County Oregon.

Participants can include young adults, two-parent families, single parents, those who are unemployed or underemployed, students, disabled and elderly individuals. Also eligible to participate are individuals whose primary language is something other than English.

Based on analysis of the participants in the FSS Program since its inception, they have closely patterned the demographics of the S8 and PH programs in areas such as income, race and ethnicity, families with children, and single parent households. Due to the program requirement that participant be able to work, there is a significant difference in the demographics related to residents who are elderly or persons with disabilities as this population is not as drawn to participate. However, over the past five years, the percentage of participant with income from SSI or SSD has become more in line with the percentages of this population in housing.

Demographics for current participants are outlined in the following charts. While the majority of percentages have remained relatively stable since the beginning of the FSS program, there has been an increase in the number of participant identifying as Hispanic or Latino which is in line with the changes in this population in S8 and Public Housing for this agency. County projections show that this increase will continue. As stated above, there has also been an increase in the participation of persons with disabilities.

As of January, 2015, the Public Housing and Section 8 FSS modules were combined into one program per HUD directives. Due to this program change there will no longer be distinct allocations of slots for PH and S8 although it is expected that the participants will show similar proportions of PH and S8 participants due to the percentage of families in each HACSA program (PH & S8).

<b>DEMOGRAPHICS OF THE HEAD OF HOUSEHOLD: 12/8/14 P.I.T.</b>		
<b>147 Total Households</b>	<b>Number</b>	<b>Percentage</b>
Households Without Children	48	32.7%
Single Parent Households	63	42.9%
Multiple Adults With Children	36	24.5%
Female Head Of Household	125	85%
Male Head Of Household	22	15%
Average Age of the Head of Household	43.24	n/a
<b>RACE (Multiple Race Boxes Checked)</b>	<b>Number</b>	<b>% (OVER 100%)</b>
White	133	88.1%
Black /African American	12	7.9%
American Indian / Alaska Native	4	2.6%
All Other	2	1.3%
<b>ETHNICITY</b>	<b>Number</b>	<b>Percentage</b>
Hispanic Or Latino	12	8.2%
Not Hispanic Or Latino	135	91.8%
<b>LANGUAGE</b>		
Primary other than English (all Spanish)	7	4.8
<b>ELDERLY / DISABILITY</b>	<b>Number</b>	<b>Percentage</b>
Elderly Head of Household	6	4.1%
Head of Household A Person With A Disability	35	23.8%

The following income demographics are from a 5 year overview of FSS participants from 2007-2012

<b>HOUSEHOLD INCOME AT ENTRANCE INTO FSS 2009-2014</b>		
<b>Income Range</b>	<b>Number Of Households</b>	<b>% Of Entrants</b>
\$0 - \$2,499	33	18.1%
\$2,500 - \$7,549	41	22.5%
\$7,500 - \$12,499	48	26.4%
\$12,500 - \$17,499	27	14.8%
\$17,500 - \$21,499	14	7.7%
\$22,500 - \$27,499	15	8.2%
\$27,500 - \$32,499	2	1.1%
\$32,500\$ - 37,499	2	1.1%
\$37,500 +	0	0.0%
	<b>182 Total</b>	

**SECTION III**  
**HISTORY OF THE HACSA FAMILY SELF-SUFFICIENCY PROGRAMS**  
 Timetable of events and allocations

ACTIVITY	ACTION DATE
First Meeting of the Program Coordinating Committee	January 13, 1992
Initial application completed and submitted to HUD	February 10, 1992
HUD announces awards of Family Self-Sufficiency units	June 2, 1992
Submission of Action Plan to HUD for approval	July 28, 1992
HUD approval of Action Plan to have a Section 8 FSS Program	December 7, 1992
First FSS Information Sessions	January 1993
HACSA began enrolling Section 8 residents in the FSS Program. Of the first sixteen (16) participant, eight (8) were participants in local "Bootstrap" Programs and eight (8) were participants in the local Project Self Sufficiency Program.	February 1993
HUD approval of the Action Plan amendments to incorporate participation by Public Housing residents in the FSS Program	September 21, 1994
HACSA began enrolling Public Housing residents into the FSS Program	February 1995
HUD approval of FSS Programs size: Public Housing: Minimum 30 Maximum 50 Section 8: Minimum 102 Maximum 150	November 2002
HACSA graduated enough people to have a reduced mandate of zero (0). The HACSA FSS Program became a voluntary program.	September 30, 2008

## SECTION IV CERTIFICATION

HACSA certifies that development of the services and activities under the FSS Program continue to be coordinated with the Job Opportunities and Basic Skills Training Program under Part F of Title IV of the Social Security Act, Programs under the Workforce Investment Act, and any other relevant employment, childcare, transportation, training and education programs in the applicable area to avoid duplication of services and activities.

## SECTION V OUTREACH

The FSS program was first offered to those families who were already taking part in various local self-sufficiency and bootstrap programs. After those families either accepted or declined to enroll in the FSS Program, all other Section 8 participants were given an opportunity to learn more about the program. In 1994 HACSA started a Public Housing FSS Program and did outreach to all Public Housing residents. Currently the following outreach methods are used in order to inform HACSA residents about the FSS Program:

A. **The Section 8 Newsletter**

This publication is distributed to all Section 8 participant. Information regarding the FSS program is included on a periodic basis. This information includes a description of the benefits of participating in the program as well as how to obtain additional information.

B. **Brochures**

Brochures outlining the basic components of the FSS Program as well as who to contact for additional information are available at both HACSA offices and are mailed to all Section 8 and Public Housing residents in their Annual Income Review Packets and when they sign a lease for a new unit. Information is available in English and Spanish. These brochures include a request form that residents must submit in order to be placed on the FSS Information Session Waiting List. If information is needed in another language action is taken to make this available. Large print flyers are made available upon request.

C. **Community Orientation Sessions**

FSS staff meets with workers at local social service agencies to provide information about the FSS Program and to explain how it can benefit their clients. They are asked to encourage their clients to seek additional information about this program. Every effort is made to reach the staff of minority organizations in accordance with our efforts to affirmatively further Fair Housing.”

D. **Section 8 Briefings**

Information about the FSS Program is given at Section 8 briefings. Attendance at briefings is required for each new Section 8 voucher holder.

E. **Re-certification**

Each time a family's income is re-certified, information about the FSS Program is provided in the client's re-certification packet. In addition, the HACSA Income Analyst, Property Manager, or Housing Coordinator working with a family advises all interested persons on how to obtain further information about the program.

F. **Mailings to New Public Housing or Section 8 residents**

Information about the FSS Program is mailed to a client's mailing address when they become a participant in the HACSA Section 8 Program or move into a HACSA Public Housing unit.

G. **HACSA's Resident Services Coordinator** shares information about the opportunity to participate in the FSS Program with all Public Housing residents with whom they come in contact.

H. **HACSA's S8 HomeOwnership Program Wait List.**

## **SECTION VI ELIGIBILITY FOR FSS PROGRAM AND SELECTION PROCESS**

HACSA operates an FSS Program that serves both Public Housing residents and Section 8 Housing Choice Voucher holders. Only current residents of these two HACSA's Public Housing programs are eligible to participate in the Family Self Sufficiency Program.

HACSA does not select participants for the FSS Programs. If a Section 8 or Public Housing resident meets all of the following criteria they may participate in the program:

- They are a resident of a HACSA Public Housing unit or a current HACSA Section 8 voucher holder
- They are able to work
- They have attended an FSS Information Session
- They complete the FSS Application, assessment and intake process as described in Section IX of this Action Plan

Noncompliance with the terms of the FSS Contract could result in a termination of the FSS Contract of Participation, but not of the family's Section 8 Program or Public Housing Assistance.

If a Public Housing resident or Section 8 Voucher holder chooses not to participate in the FSS Program it will not affect the family's admission to Public Housing or to the Section 8 Program or the family's right to occupancy in accordance with its lease.

## **SECTION VII ESTABLISHING A LIST OF SECTION 8 PARTICIPANT AND PUBLIC HOUSING RESIDENTS WHO ARE INTERESTED IN PARTICIPATING IN THE FSS PROGRAM**

Section 8 Participant and Public Housing Residents will be notified of the opportunity to participate in the FSS program as described in Section VI, Outreach. A family interested in receiving more information about the FSS program will be advised to submit an FSS Information Request form. Receipt of this form by the FSS Program will generate an invitation for the family to attend an FSS Information Session. Registration for these sessions will be on a first come, first served basis. Persons submitting Information Request forms will have their names entered onto an Information Session Waiting List according to the date and time that the forms are received at a HACSA office.

If a family is scheduled for an Information Session and they do not attend the scheduled session, the following will occur:

1. If they contact the FSS staff before the Information Session to say they cannot attend, their name will be left on the top of the Information Session Waiting List for the next Information Session. If they do not attend the next Information Session, their name will be removed from the Information Session Waiting List.
2. If the family does not contact the FSS staff before the Information Session, and does not attend, they have 14 calendar days after the Information Session to contact FSS staff and ask that their name be left on the Information Session Waiting List. If they did not attend and they do not contact FSS Staff their name will be removed from the FSS Information Session Waiting List.
3. The family may cancel their attendance at only two Information Sessions before being required to complete and submit a new Information Request form.

After attending an FSS Information Session, the families who are interested in applying for the FSS program will be eligible to fill out and submit an FSS Application. The date and time of the receipt of the application will be used to create the waiting list of families for enrollment into the FSS program. Applications from families who have not attended an Information Session will not be accepted. Applications will be accepted by mail, facsimile, or in person at either of HACSA's offices. Applications will be accepted without regard to race, color, religion, gender, sexual orientation, disability, familial status, age, or national origin. Persons turning in FSS Applications will their name placed on either the Public Housing FSS Applicant Waiting List or the Section 8 FSS Applicant Waiting List. If a client attends an Information Session, they have one year to submit an application. If they do not submit an application within the one year time frame they must attend another Information Session before an application will be accepted from them.

Residents on the application wait list will be notified when their name comes to the top of the list. They will then have three choices:

1. They have 60 days from the date they are notified that they are at the top of the waiting list in which to decide if they want to participate in the program and to complete the initial intake process (see Section IX).
2. OR they can decline to be on the FSS Application Waiting List or to take part in the FSS Program.
3. OR they can have their name placed at the bottom of the FSS Application Waiting List. They would have this option only one time. If their name came to the top of this waiting list for a second time, and they were not ready to participate at that time, then their name would be removed from the FSS Waiting List.

If a resident has been on the FSS Applicant Waiting List for more than one year they may be sent a continuing interest letter asking if they are still interested in having their name on this list. If they do not return this continuing interest letter, their name will be removed from the FSS Applicant Waiting List.

**SECTION VIII**  
**PROCESS OF BECOMING ENROLLED AND**  
**BECOMING A PARTICIPANT IN THE HACSA FSS PROGRAM**

A family or individual who is interested in the FSS program will submit an FSS Information Request Form. When this is received by HACSA the family/individual will be invited to attend an FSS Information Session. If after attending the FSS Information Session the family is still interested in participating in the FSS program they must complete and submit an FSS Application. This application will be the first step in the Intake Process of the FSS program. When the application is processed the family will be placed on the Section 8 or Public Housing Application Waiting List according to the requirements in Section IX. When their application comes to the top of a waiting list an FSS Coordinator will contact them to begin the second part of the Initial Intake process - a comprehensive assessment of the family's current needs for services, past successes and failures, and dreams. The family may opt out of the Intake Process at any time.

The Intake Process includes interviews, a completed assessment, a completed Self Assessment, development of an Individual Training and Services Plan, a review of Fair Housing Policy and Reporting, and FSS Contract signing. This process must be completed by the family within 60 days from the date of the initial interview (presuming that it is not a lack of services causing the delay). An extension can be issued if necessary due to "good cause"(as defined in the Glossary in Appendix D).

When an applicant is scheduled for an initial intake and they do not show up AND do not contact the FSS staff to request that the interview be rescheduled, they will be sent a letter giving them 14 calendar days to respond and reschedule. If they do not contact the FSS staff within the 14 calendar days their application will be terminated and their name removed from the FSS Applicant Waiting List. They will receive a letter notifying them of this termination.

If the applicant misses a second initial interview, and does not contact the FSS staff within the next 14 calendar days their name will be removed from the Section 8 or Public Housing Applicant Waiting List and their application will be terminated except where "good cause" is found to exist. They will receive a letter notifying them of this termination.

- A. The FSS Assessment will occur when an FSS Coordinator meets individually with an applicant who has applied to participate in the FSS Program. The FSS Coordinator will provide them with the following information:
1. How to set outcome goals and objectives
  2. An explanation of the role of the FSS Coordinator
  3. The role and responsibilities of the participant when in the FSS Program.
  4. The criteria for FSS Contract development and Contract completion
  5. The ability to self select for the FSS Program and the ability to determine their own goals
  6. The HACSA definition of Economic Self-Sufficiency
  7. An Overview of Fair Housing Rights and Reporting of Abuse of these Rights
- B. During the assessment process FSS Coordinators will gather the background information necessary to develop a comprehensive Individual Training and Services Plan (ITSP). This information may include:
1. Economic earning capacity and interest
  2. Information regarding personal/family development, health, substance abuse history, communication skills and decision making skills
  3. Social networks, relationships and support systems
  4. Well being of children including parenting issues, schooling, medical needs and potential abuse issues

5. Long term housing vision/goals/plans
6. Financial situation – including debt, credit issues, understanding budgets and financial goals
7. Obstacles to self-sufficiency
8. Education level
9. Life skills
10. Substance abuse issues
11. Domestic Violence issues
12. Criminal background
13. Participant strengths

C. When the assessment has been completed an ITSP will be developed. It will:

1. Identify and prioritize short term and long term goals and needs
  - a. All ITSPs will include goals in the areas of financial management or education – including budgeting and credit information, employment or volunteer work, becoming free of welfare assistance
  - b. Many ITSPs will also include goals in the areas of: Parenting concerns, personal growth, family development, social and emotional support, college or training programs, well-being of children, mental & physical health of family, transportation, home ownership, career exploration
2. Establish specific conditions and time frames for goals or activities to be met.
3. Identify community resources which may be appropriate for meeting participant's goals

When the Individual Training and Services Plan (ITSP) has been developed and the assessment has been completed, the ITSP, and an FSS Contract of Participation will be signed by the FSS Coordinator and the Head of the Household for the participating FSS family. The Head of the Household for the participating FSS family will also sign the Economic Self-Sufficiency Policy (Appendix 1A) and the Contract Addendum (Appendix 2A)

After the applicant becomes a participant in the FSS Program the FSS Program staff will maintain regular contact with each FSS Participant in order to maximize the participating family opportunities to reach self-sufficiency.

Participants must meet with their FSS Coordinator face to face at least quarterly during their time in the program.

**SECTION IX**  
**ACTIVITIES AND SUPPORTIVE SERVICES**  
**AVAILABLE TO FAMILIES PARTICIPATING IN THE FSS PROGRAM**

The family along with the assigned FSS Coordinator will develop an Individual Training and Service Plan (ITSP). This will become an exhibit of the FSS Contract of Participation. This plan will be created under the procedures outlined in Section IX of this Action Plan. The ITSP will include specific interim and final goals by which compliance with and performance of the FSS Contract obligations may be measured. A review of the family's progress in meeting the individual action steps, goals and timetables outlined in their ITSP will occur under the circumstances listed below. The review process will consist of meetings with the family and their assigned FSS Coordinator, written and/or oral input from the service agencies providing services to the family when this is determined to be appropriate, and a self evaluation completed by the family. Significant accomplishments, such as completion of training or obtaining employment, will be acknowledged in the ITSP. Instances in which a review of the Individual Training and Service Plan might occur are:

1. **Regular reviews:** Six months after the initial contract is signed and according to individual participant need every three to six months thereafter, an assessment will be conducted to evaluate current status of the ITSP goals. New interim goals and time lines will be established, if needed. Each assessment outcome will be recorded by the assigned FSS Coordinator.
2. **At the Request of the Participant:** At any time while they are participating in the FSS Program a participant may request a review of the current ITSP for purposes of re-evaluating the goals or timelines.
3. **Reviewing Compliance:** An assessment will occur if the assigned FSS Coordinator is concerned that the family is not meeting the conditions of their ITSP, the terms of the contract, or if the family is not cooperating with the program requirements. The family and the FSS Coordinator will meet to discuss the issues and will work together to reach agreement on the steps needed to achieve cooperation and compliance. The FSS Coordinator will have the final authority to determine what actions are needed to correct the situation.

All reviews of the ITSP will be conducted by the family and their assigned FSS Coordinator. They will review the existing ITSP to determine if the action steps are being met and if the goals are appropriate. ITSP's are a living document that will continually need to be amended with new action steps, goals and timetables. If the review includes a determination of apparent noncompliance or non-cooperation by the participant, the assigned FSS Coordinator will evaluate the situation with the family and determine the course of action to be taken. Some examples of noncompliance or non-cooperation include: missing scheduled meetings and/or appointments, not working towards goals, and fraud.

**Some examples of actions that may be taken are:**

1. Revising the ITSP to better reflect the family's current needs and objectives.
2. Establishment of specific conditions to be met by specified time lines to bring the participant back in line with the action steps and goals outlined in the ITSP. Any conditions which must be met by the family will be clearly outlined in a letter to the family from the FSS Coordinator.
3. A Review Hearing with the FSS Supervisor to discuss challenges a participant may be facing.
4. Review of a request for a change of FSS Coordinators.

The FSS Coordinator will endeavor to resolve any issues regarding compliance with the FSS Contract or the Individual Training and Services Plan. Actions that the coordinator may take include;

1. Review and making changes to the ITSP
2. Setting new time frames for completion of specific goals
3. Requesting a meeting with the other providers working with the family to attempt to identify and resolve the issue(s), and
4. Other action that is appropriate in reaching compliance with the program requirements.

## SECTION X INCENTIVES TO ENCOURAGE PARTICIPATION

FSS Participants have two primary incentives for participating in the FSS Program. The first is the escrow account. The second is the case management support which is provided by the FSS Coordinators. A description of both of those incentives is described below:

### **The Escrow Account:**

An escrow account will be established by HACSA on behalf of the participating FSS family. The amounts to be deposited will be calculated in a manner in accordance with HUD requirements:

- A. If the FSS head of household leaves the assisted unit, the remaining family members may, after consulting the Housing Authority, name another family member to receive the FSS escrow account funds. If no remaining member of the family chooses to enter into a FSS Contract of Participation, any escrow funds which had been accumulated will be forfeited.
- B. If unreported income is discovered in an FSS Program participating household HACSA policies and procedures will be followed. However, in no case will amounts be added to a family's escrow account reflecting unreported earned income.
- C. Funds in the escrow account will be distributed to the family when all of the following conditions have been met. Any amounts owed to HACSA or any other PHA will be deducted from the escrow fund prior to disbursement of the funds to the participant. All interest earned will be credited to the escrow account. HACSA will issue a check to the family within thirty days after all of the following conditions have been met:
  1. The family has fulfilled all of its responsibilities under the contract
  2. The Housing Authority has determined that the family has completed this contract
  3. The head of the family provides written certification to the Housing Authority that no member of the family is receiving welfare assistance as defined in the FSS Contract of Participation and Federal regulations
  4. The family has been independent of welfare assistance for at least 12 consecutive months before the contract expires or is terminated
  5. The family has met the HACSA definition of Economic Self-Sufficiency as defined by the FSS Economic Self-Sufficiency Policy included in Appendix A

Participants may withdraw funds from the FSS escrow account before completion of the contract if the family has completed specific interim goals in their Individual Training and Services Plan. The HACSA Policy regarding the early distribution of these funds is in Appendix B of this Action Plan.

**Case management:**

Case management support is provided to all FSS Participant by FSS Coordinators. Each FSS Participant is assigned to an FSS Coordinator according to whether they are in the Public Housing or Section 8 Program. This coordinator will:

- A. Conduct an intake assessment and on-going assessments of participant's needs, activities and progress.
- B. Determine participant's needs on their path to self-sufficiency
- C. Assist the participant to determine their strengths and weaknesses
- D. Assist the participant to set short and long term goals – aiding them to recognize the differences between dreams and goals
- E. Assist the participant to develop an Individual Training and Services Plan (ITSP):
- F. Meet with the participant regularly to identify progress on current goals, to develop new goals, provide support and encouragement and to make referrals when appropriate
- G. Meet with the participant to review and update the ITSP as needed, minimally every 3 months.
- H. Act as an advocate in the community and with other agencies when requested
- I. Calculate the amount of money being placed in escrow accounts and notify the participant when changes occur in the amount of money going into these accounts. Also to provide the participant with an annual accounting of the escrow account funds.
- J. Determine when the participant has successfully completed the FSS Contract

Appendix C includes a handout which shows one way that case management services are explained to FSS applicants and participants.

On occasion, additional resources and funds become available to the FSS Program. FSS Coordinators assess eligibility for these funds and distribute them to FSS Participant. These funds may be used for the following purposes if they are related to a current goal in the ITSP:

- purchase clothing vouchers for participant when they have a job interview
- purchase clothing vouchers for participant when they have obtained a new job or have clothing required for a specific job
- pay for GEDs or licenses, trainings, fees and certifications related to educational or vocation expenses
- provide hardship funds when necessary to cover emergency expenses

## SECTION XI EXTENSION TO THE FSS CONTRACT OF PARTICIPATION

The FSS Contract of Participation says that “The HA can extend the term of the contract up to 2 years if the family gives the HA a written request for an extension and the HA finds that good cause exists for the extension.” Good cause means circumstances beyond the control of the participant (See Appendix D; Glossary).

The process for requesting and granting an extension is as follows:

- A. The FSS Coordinator will send a letter explaining the extension request process to the participant, ideally a minimum of 60 days prior to expiration date of the FSS Contract of Participation.
- B. If they are interested in receiving an extension, the participant completes the Request for Extension of FSS Contract form and calls their FSS Coordinator for an appointment. Appointments should take place a minimum of 30 days prior to expiration of the Contract. The FSS Coordinator will then staff the extension request with the FSS Supervisor.
- C. After the extension request is submitted to HACSA the FSS Coordinator will meet with the participant to review the request. At the appointment, the FSS Coordinator will review the request, consider if good cause exists, and determine if the Participant will be able to complete the remaining goals within a reasonable time frame - not exceeding 2 years.
- D. The FSS Coordinator will then meet with the Resident Services Supervisor to review the request. The supervisor will determine if the request will be approved or denied.
- D. If the determination is made that the participant will receive the extension, the Extension form is reviewed, the time line of the extension is made clear, and the goals that must be met within the time frame of the extension are entered into the FSS Contract of Participation Extension Agreement (CPEA) Addendum. The FSS CPEA Addendum is then signed and dated. The Coordinator explains consequences of non-completion of goals.
- E. The number of months the contract is extended will be decided by the Coordinator and the FSS Supervisor on a case by case basis. Extensions will normally be considered in three to six month time frames. More than one extension is possible, but the total number of months given may not exceed twenty-four.
- F. If the determination is made not to grant the extension, the Coordinator will explain the reasoning and explain to the Participant their right to appeal this decision to the FSS Supervisor. The Coordinator documents the decision, sends a letter to the Participant and puts a copy in the participant’s file.

## SECTION XII TERMINATION POLICIES

The FSS participant must meet all of the family obligations and requirements of the Section 8 and Public Housing programs. Failure to comply with the terms established in those programs may result in the family becoming ineligible to continue to receive housing assistance. The termination of housing assistance will mean an automatic termination of the FSS Contract of Participation on the date that the housing assistance is terminated.

Noncompliance with the terms of the FSS Contract of Participation alone will not affect the family's housing assistance.

Family Self-Sufficiency participants are required to comply with FSS program rules and guidelines. When it appears to the FSS staff that a family is not in compliance, an initial determination may be made to terminate the family's participation in the FSS Program. Noncompliance may include:

- A. Non-cooperation with the FSS staff
- B. Failure to keep appointments or attend scheduled events without showing Good Cause
- C. Failure to complete the goals and timelines of the Individual Training and Services Plan
- D. Failure to seek and maintain suitable employment

If non-compliance is determined, the Head of the Household will be sent a letter that contains a brief statement of the problem and the information that an initial determination has been made that the family is in violation of the terms of their FSS Contract of Participation. It shall also contain the following information:

- A. A clause informing the individual that he/she may contest the determination, and that they have fourteen (14) calendar days from the date of the letter to ask for a review of this decision by requesting, either verbally or in writing, an informal hearing
- B. The name, address and telephone number of the person to be contacted if the FSS participant wants to request an informal hearing be held
- C. A clause informing the participant that he/she has the option of obtaining and being represented by legal counsel at their own expense
- D. A clause informing the individual that he/she will have the right at this compliance review to ask questions of the individuals whose adverse information has led to this determination
- E. A clause indicating that the participant has the right to present evidence that would affect the final determination
- F. Any additional information the Housing Authority feels would be helpful to the participant
- G. A clause explaining that if the FSS participant has a disability and thinks that the initial determination of ineligibility is a result of that disability, s/he may ask for a reasonable accommodation that would allow the family to comply with FSS program rules and guidelines

If the family does not respond to the letter within fourteen (14) calendar days, or fails to attend the scheduled informal hearing without showing Good Cause, the family's FSS Contract of Participation will be terminated.

If the participant requests a hearing it must take place within 14 days of the request and the FSS Coordinator will work with all parties to set up a time and date. The FSS Coordinator shall notify the FSS head of household, by phone or in writing, of the date, time and location of the hearing. The family may reschedule the hearing if there is Good Cause why the hearing could not take place as originally scheduled. Notification of the need to reschedule should be given at least 48 hours prior to the time of the originally scheduled review, whenever possible. The rescheduled hearing will take place as soon as possible. Individuals with impaired sensory, manual, or speaking skills will be asked if they need HACSA to provide a note taker, someone to read to them, a TDD machine, an interpreter or an assisted listening device. A contact person identified by the family may also be called upon to assist such individuals in the review process.

The FSS Supervisor and one other FSS Staff who is not the participants current coordinator will conduct all FSS compliance hearings. These are not judicial reviews. The responsibilities at these hearings are limited to making decisions about whether or not:

- A. To withhold, reduce, or to terminate supportive services
- B. To establish criteria that the family must meet to continue in the FSS Program
- C. To reinstate withheld services
- D. To terminate the FSS Contract of Participation
- E. To determine whether or not a resident may participate in the FSS Program again when they have already participated two times.

Because this is not a judicial review no order of proof or mode of offering evidence needs to be adhered to, however the family may bring evidence to the review. The FSS Supervisor will be responsible for ensuring that adequate information is brought out in the review process so that a reasoned decision can be reached.

If the family requests a review:

- A. The Head of Household as listed in the FSS Contract of Participation must attend the review
- B. Whenever possible the assigned FSS Coordinator must attend the review
- C. The participant may represent themselves or have an attorney or other person do so. The Housing Authority will not provide legal counsel to the participant
- D. The participant and/or their representative may examine the file prior to the review. If a family wished to have copies of their file for the review, this must be requested in writing and may take up to two 8 hour working days to complete. Families will be charged .05 per side of a page for copying.
- E. Evidence and witnesses may be presented and questioned by both the participating family and FSS Staff.
- F. The family may bring an advocate, friend or other representative to the review

Decisions will be made solely on the information presented at the hearing. The decision, in writing, will normally be mailed to the Head of the Household within seven (7) working days after the conclusion of the hearing. The FSS Supervisor shall state the reason for the decision and then indicate the information that was relied upon in reaching the decision. The decision of the FSS Supervisor is final unless the Housing Authority determines that they are not bound by the decision because one or more of the following situations apply to the decision:

- A. It is contrary to the HUD regulations or requirements, or is otherwise contrary to federal, state or local law
- B. It concerns a matter for which the FSS Supervisor exceeded the area of authority for conducting the review
- C. It concerns a matter for which the Housing Authority is not required to provide a review  
If the Housing Authority determines that it is not bound by a decision of the FSS Supervisor, HACSA shall promptly notify the participant of the determination and of the reasons for the determination.

**SECTION XIII**  
**POLICY REGARDING RE-ENROLLMENT IN THE HACSA FSS PROGRAM**  
**AND THE NUMBER OF TIMES A FAMILY MAY ENROLL**

This policy was designed in a manner which took into consideration the FSS Program philosophy, intent and goals (HUD's & HACSA's). Specifically: that FSS is a voluntary program; that some of FSS participant are trying hard and need extraordinary help to achieve economic self-sufficiency; that families must be held accountable for their choices and decisions; that the goal of the program is for families to reach economic self-sufficiency and to no longer need housing subsidy programs.

This policy assumes that there are decision points in all family's lives and that when families make a decision regarding their FSS Program participation, it will be with the knowledge and understanding that all decisions have consequences, both positive and negative. It also assumes that families will make choices about the FSS Program with a clear understanding of the possible consequences of those decisions.

HACSA FSS Program policy is:

1. If an FSS participant was involuntarily terminated from the FSS program for non-participation and they or another member of the household now wants to re-enroll in the FSS Program, there will be a waiting period of six months between the Contract termination date and the date a new FSS application will be accepted. Before the assessment can begin, the participant must agree to address the issues that caused their previous FSS Contract of Participation to be terminated. These issues will be addressed during the assessment and if appropriate will be written into the Training and Services Plan.
2. If an FSS participant voluntarily terminates their FSS Contract of Participation and then wants to re-enroll in the FSS Program at a later date, there will be a mandatory waiting period of three months between the Contract termination date and the date a new FSS application will be accepted. Before the assessment can begin, the participant must agree to address the issues that caused them to terminate their previous Contract of Participation.
3. If an FSS participant successfully completes their FSS Contract of Participation and receives money from an escrow account, but they never moved out of Section 8 housing or Public Housing and want to re-enroll in the FSS Program, there will be a waiting period of one year between the Contract termination date and the date a new FSS application will be accepted. Before the assessment can begin, the participant must agree to address the issues that kept them from moving out of housing and maintaining the financial self-sufficiency that they must have achieved in order to receive their escrow money. These issues will be addressed during the assessment and if appropriate will be written into the Training and Services Plan
4. If an FSS participant goes through the 5 years of their FSS Contract of Participation, but does not successfully complete the program and does not receive any escrow money and then wants to re-enroll in the FSS Program, there will be a waiting period of one year between the Contract termination date and the date a new FSS application will be accepted. Before the assessment can begin, the participant must agree to address the issues that caused them to be unsuccessful in completing the goals in their previous FSS Contract of Participation. These issues will be addressed during the assessment and if appropriate will be written into the Training and Services Plan.

No family will have the opportunity to participate in the HACSA FSS Program more than two times. Exceptions to this policy may be granted on a case by case basis.

**SECTION XIV  
PROGRAM COORDINATING COMMITTEE (PCC)**

**STRUCTURE OF THE FAMILY SELF-SUFFICIENCY PROGRAM COORDINATING COMMITTEE (PCC)**

The PCC is a partnership of community representatives from public organizations, educational institutions, financial institutions, social service agencies, service providers, private sector, Section 8 and Public Housing program participant, and Housing Authority staff. The HACSA PCC will be called the HACSA FSS Advisory Board and will meet on a quarterly basis.

**MISSION OF THE PCC**

The PCC is the governing board for the HACSA FSS Programs.

**RESPONSIBILITIES OF THE PCC**

- A. The creation, review and updating of the FSS Action Plan as necessary
- B. Community relations, publicity, education
- C. Resource development and outreach to community organizations – securing commitments of the public and private resources necessary for the operation of the programs.
- D. Provide ongoing policy direction, development and implementation
- E. Program performance monitoring
- F. Establishment of subcommittees as necessary to fulfill the goals and requirements of the FSS program
- G. Review and approval of subcommittee recommendations
- H. Meet on a quarterly basis

**SECTION XV**  
**PUBLIC AND PRIVATE COMMUNITY RESOURCES THAT PROVIDE**  
**ACTIVITIES AND SERVICES TO FSS PROGRAM PARTICIPANT**

The HACSA FSS Coordinators are the primary case management resource for FSS Participants. Three FSS Coordinator positions are funded by HUD. The Program Coordinating Committee (PCC) and the FSS Coordinators are continually conducting outreach efforts to locate services and resources for participant. Currently FSS Program staff makes referrals to the following community resources (the organizations with a star (\*) are current members of the PCC:

**EDUCATION**

- |                                |                               |                         |
|--------------------------------|-------------------------------|-------------------------|
| Lane Community College *       | University of Oregon          | Pioneer Pacific College |
| Northwest Christian University | Confederated Tribes of Siletz | Linfield College        |
| Lane Workforce Partnership *   |                               |                         |

**YOUTH SERVICES**

- |                  |                            |          |
|------------------|----------------------------|----------|
| Relief Nursery * | Headstart of Lane County * | EC Cares |
| Looking Glass    | Pearl Buck                 |          |

**CHILD CARE**

- |   |                          |                  |
|---|--------------------------|------------------|
| Head Start of Lane County*                      | Lane Community College * | YMCA             |
| Department of Human Services Self Sufficiency*  |                          | Relief Nursery * |
| Family Connections of Lane and Douglas Counties |                          |                  |

**NUTRITION / FOOD SECURITY**

- |                              |                       |             |
|------------------------------|-----------------------|-------------|
| Food for Lane County*        | OSU Extension Service | WIC Program |
| Community Sharing            | Florence Food Share   |             |
| Catholic Community Services* | St. Vincent de Paul*  |             |

**COUNSELING**

- |                                    |                                  |              |
|------------------------------------|----------------------------------|--------------|
| Lane County Mental Health Services | OPTIONS Counseling               | Child Center |
| Christians As Family Advocates     | Center For Family Development    | White Bird   |
| Center For Community Counseling    | Peace Health Counseling Services |              |
| University of Oregon               |                                  |              |

**JOB TRAINING, PREPARATION AND PLACEMENT**

- |   |                         |                       |
|---|-------------------------|-----------------------|
| Lane Workforce Partnership *  | St. Vincent de Paul *   | Laurel Hill Center *  |
| Lane Community College *  | Pioneer Pacific College | Goodwill Industries * |
| DHS Self Sufficiency *  | St. Vincent de Paul *   | Sponsors              |
| Oregon State Vocational Rehabilitation Department Oregon State Office of Employment |                         |                       |
| Supportive Employment Services  |                         |                       |

**FINANCIAL**

- Neighborhood Economic Development Corporation\*

**IDA PROGRAMS**

- |  |                      |                      |
|--|----------------------|----------------------|
| CASA / VIDA Collaborative                      | Goodwill Industries* | St. Vincent de Paul* |
| Neighborhood Economic Development Corporation* |                      |                      |

**HOMEOWNERSHIP EDUCATION**

- Neighborhood Economic Development Corporation \*      St. Vincent de Paul\*

**LEGAL SERVICES**

- Lane County Legal Aid & Advocacy Center

## **SUBSTANCE ABUSE SERVICES**

Willamette Family Inc. \*  
Looking Glass Adolescent Recovery

12 Step Programs  
White Bird

Serenity Lane  
Emergence

## **DOMESTIC VIOLENCE**

Womenspace \*  
Christians As Family Advocates

Domestic Violence Council  
S.O.S.

## **TRANSPORTATION**

Catholic Community Services \*  
Head Start of Lane County \*  
Department of Human Services Self Sufficiency Program \*

State of Oregon Vocational Rehabilitation Division \*  
Lane Community College \*

## **PERSONAL AND CAREER/LIFE SKILLS TRAINING**

Catholic Community Services \*  
Goodwill Industries of Lane County \*  
Lane Community College \*  
Supportive Employment Services

Willamette Family Inc. \*  
Department of Human Services Self Sufficiency\*  
State of Oregon Vocational Rehabilitation Division  
Oregon Supportive Living Program

## **PARENTING SKILLS**

Head Start of Lane County \*  
DHS Child Welfare  
Center For Community Counseling

Relief Nursery \*  
Lane Community College\*

Parenting Now  
EC Cares

## **DISABILITY SERVICES**

Supportive Employment Services  
Lane County Development Disabilities Services  
State of Oregon Vocational Rehabilitation Division\*

Full Access Brokerage

OSLP  
Pearl Buck  
LILA \*

## **CASE MANAGEMENT, ADVOCACY, INTAKE & REVIEW**

Sheltercare \*  
Willamette Family Inc. \*  
St. Vincent de Paul \*  
Confederated Tribes of Siletz \*  
Community Sharing  
Lane County Development Disabilities Services

Catholic Community Services \*  
Goodwill Industries of Lane County \*  
Lane Workforce Partnership\*  
Head Start of Lane County \*  
DHS Self Sufficiency \*

Relief Nursery\*  
Womenspace \*  
S.O.S.  
HACSA\*  
LILA \*

State of Oregon Vocational Rehabilitation Division\*

## **SUPPORT GROUPS**

Willamette Family Inc. \*  
Womenspace\*  
Sexual Assault Support Services  
Center for Family Development

Head Start of Lane County \*  
Lane Community College \*  
S.O.S.  
NAMI\*

Sponsors  
Relief Nursery \*  
Sheltercare\*

## **MEDICAL TREATMENT AND DEVICES**

Bridge Program  
Oregon State Vocational Rehabilitation Department \*

Community Health Centers

## **ENTREPRENEURIAL SERVICES**

LCC Small Business Development Center SCORE

## **LANGUAGE AND CULTURAL SERVICES**

Centro LatinoAmericano\* Lane Community College\*

## **OTHER VOLUNTEER ORGANIZATIONS TO CONTACT**

RSVP (Retired Senior Volunteer Program) United Way of Lane County

**SECTION XVI**  
**PORTABILITY PROVISIONS FOR THE FSS PROGRAM**

FSS families wishing to avail themselves of the statutory and regulatory portability provisions of the Section 8 Program will follow the procedures as outlined in HACSA's Section 8 Administrative Plan. In addition, the following policies will apply:

**For Families Porting Out of Lane County**

The receiving PHA will make the determination as to whether or not the family will be accepted into their FSS program.

If a family exercises their portability option and moves from HACSA's jurisdiction to a location where the receiving PHA has no FSS program or makes a decision not to enroll the family into their FSS Program, HACSA will terminate the FSS Contract at the same time that the Section 8 voucher expires or the family leases up in the new jurisdiction (whichever comes first). Any funds in the escrow account will be forfeited by the family at that time unless it is determined that the terms of the Contract of Participation have been met and the family is eligible to collect these funds.

**For Families Porting Into Lane County**

Families requesting to transfer into HACSA's FSS program must have an FSS Contract of Participation in effect in the jurisdiction of the initial PHA at the time of the transfer request.

Families requesting to move into the HACSA's FSS program must undergo an interview and assessment procedure as outlined in Section X of this action plan. This assessment will determine if the essential services needed by the family are available. If the essential services are not available, the request to enroll in HACSA's FSS program will be denied.

Families accepted for enrollment into HACSA's FSS program will enter into an FSS Contract of Participation with this agency. The term of the new contract will reflect the time remaining on the original contract from the initial PHA. A new Individual Training and Service Plan will be completed by the family with the assigned FSS Coordinator. They will also be required to sign the HACSA Economic Self-Sufficiency Policy (Appendix A). An escrow account will be established for the family according to HUD regulations.

## APPENDIX A

### FSS ECONOMIC SELF SUFFICIENCY POLICY

July 2005

It is the intention of this policy to establish guidelines that define economic self-sufficiency so that families entering and leaving the HACSA FSS Program have a clear understanding of the objectives and requirements of the program.

The HUD Final Rule for the FSS Program states that the purpose of the FSS Program is to enable families to achieve economic independence and self-sufficiency. It goes on to say that the objective for the program is to reduce the dependency of low income families on welfare assistance and on Section 8, public or Indian housing assistance or any Federal, state, or local rent or home ownership subsidies. The individual training and services plan, which is a part of the contract of participation, is required to establish specific interim and final goals by which the HA, and the family, may measure the family's progress toward fulfilling its obligations under the contract of participation and becoming self-sufficient. FSS Participants must have reached economic self-sufficiency in order to successfully complete the FSS Program.

The HACSA FSS Program works to honor the lifestyle that a family chooses by supporting the goals that a family sets and does not require a set income goal for a family. Some families choose goals related to a simple lifestyle without a car or house payment and choose to get by on a small income. Other families may choose to work toward a new car and mortgage. Some families are limited in what they can choose as financial goals due to the size of their family, physical or mental limitations, job accessibility, amount of past debt, opportunities, motivation, etc.

With this in mind, the following guidelines for determining Economic Self-Sufficiency will be used:

1. That a family be able to pay their monthly bills, including utility bills (without subsidies), on time, consistently for at least three months immediately prior to completing the program *and*
2. That the family has consistently put money into a savings account (not their FSS escrow account) and has an increasing balance. (The money is not put in one month and taken out the next.) This account should be active for at least 6 months prior to completion of the contract *and*
3. At the time of contract completion
  - a. If not self employed, the head of the household will have a permanent job of at least 32 - 40 hrs per week that they have held for a minimum of 3 months or have kept through any probationary period set by the employer. Exceptions to this clause can be made:
    - 1). If a participant has a part time job that provides a sufficient level of income, and they are able to meet all of the other goals and FSS requirements with this income *or*
    - 2). If a participant has a part time job, is receiving Social Security (SS) or Supplemental Security Income (SSI), and they are able to meet all of the other goals and FSS requirements with this income.
  - b. If self employed, the participant's business has shown a consistent net profit for a minimum of six months. Net amount will be based on the formula used to report self employment income to HACSA. This profit plus any SS and/or SSI should (at a minimum) average out to equal the income of a minimum wage job worked 32 - 40 hours per week. *and*
4. That the family has met and completed the following Financial Goals and Benchmarks of the FSS Program:
  - a. They have tracked their spending for at least a month during the first year of the program and whenever income changes significantly so that a budget can be set for spending.
  - b. The family has an ongoing budget that they use and revise on a regular basis.
  - c. If a family has a checking account, they can demonstrate that they know how to balance it without ongoing overdraft fees.
  - d. The family has established a personal savings account that has shown an increasing balance for at least the last six months of my program.
  - e. The family has obtained a copy of credit reports as often as needed to address credit issues

- f. The family shows they have knowledge of the interest rates, fees, balances, etc. on any credit cards that they use.
- g. The family has a written plan for any debt and have created a schedule for payments when possible. These debt payments will be part of the family budget.

If a family has not met the above guidelines, yet the participant feels that they have reached economic self sufficiency and therefore are eligible to receive their escrow money, the FSS Coordinators and FSS Supervisor will meet and review the family's file. If the staff determines that they do not consider the family to be self-sufficient and therefore have not fulfilled their contract requirements, the family has the right to appeal the decision to the Compliance Review Committee.

**APPENDIX B**  
**HACSA POLICY FOR THE EARLY WITHDRAWAL OF FUNDS**  
**FROM FSS PARTICIPANT ESCROW ACCOUNTS**  
Updated 4/2012

Participants will be allowed to draw money out of their escrow accounts prior to the completion of their FSS Contracts of Participation. The early withdrawal of funds is intended to be used for continuing growth and for overcoming barriers to reaching the goals of a Training and Services Plan. The money is not intended to be used to cover ongoing expenses or emergencies that are not related to the participant's FSS goals. Withdrawal of funds will be made difficult but not impossible. The committee will be flexible but reasonable when making their decision. The process should be seen as a learning opportunity for the participant and a teaching opportunity for the FSS Coordinator.

The criteria that have been established for early withdrawal of escrow funds are:

1. The participant family must have been in the FSS program long enough to have had money placed into the escrow account
- AND
2. The FSS participant must have demonstrated success and commitment while in the FSS program.

The process for early withdrawal of funds from an escrow account will be as follows:

- A. The participant tells his/her FSS Coordinator of his/her desire to draw money out of the escrow account. The FSS Coordinator and the participant:
  1. Discuss the purpose of the withdrawal and whether or not this is the wisest use of the escrow funds.
  2. Look at what other resources may be available to meet the participant's need.
  3. Review the process that the Compliance Review Subcommittee will use to determine whether or not escrow funds may be withdrawn early.
- B. The participant and the FSS Coordinator work together on completion of the Early Withdrawal of Escrow Funds request form. The coordinator is responsible for helping the participant through the steps of the early withdrawal process.
- C. All requests for early withdrawal will be made in writing and will include the following information:
  1. The amount of money that the participant wants to have released from their escrow account, and how these funds will be used.
  2. How the funds being requested will assist the participant to become self-sufficient and how the funds will help them to reach their Training and Services Plan goals.
  3. What Training and Service Plan goals have been successfully completed.
  4. What Training and Service Plan goals remain to be completed.
  5. Has the primary focus of the participant's Training and Services Plan goals changed? What is the reason for the change?
  6. What alternative sources of funding has the participant investigated.
  7. A budget reflecting the impact of the request, detailing the expenses that will be included in the use of these funds.
- D. The participant submits, through his/her case manager, an Early Withdrawal of Escrow Funds form to the FSS Advisory Board Compliance Review Subcommittee.
- E. An Escrow Request Hearing will be held by the FSS Advisory Board Compliance Review Subcommittee and will occur within 15 HACSA working days after the receipt by HACSA of the written request for an early withdrawal of escrow funds.
- F. At the Escrow Hearing the participant and case manager may be asked about the following items:
  1. The participant's feelings about the process.
  2. Time frames in the participant's Training and Services Plan which have or have not been met.
  3. The credibility of the participant and the merit of his/her request for early withdrawal
  4. How is the early withdrawal of the escrow funds consistent with the goals of the participant's Training and Services Plan?
  5. Have the primary goals in the participant's Training and Services Plan changed since they signed their FSS Contract of Participation?
  6. How long has the goal, which will be assisted by the early withdrawal of funds, been a part of the participant's Training and Services Plan?
  7. What Training and Services Plan goals does the participant still need to complete?

8. The answers that a participant placed on the Early Release of Escrow Fund request form.
- G. The participant may bring anyone to an Escrow Request Hearing.
- H. An FSS Coordinator will always be present at an Escrow Request hearing to act as an advocate for the participant. They may be asked to give facts but will not be asked to give opinions.
- I. The participant will be notified of the Escrow Request Hearing decision within 10 HACSA working days after the hearing and/or the receipt of all the additional requested materials.
- J. The decision of the FSS Advisory Board Compliance Review Subcommittee will be final.
- K. A family may make only two early withdrawals from their escrow account.
- L. The preferred method of distribution would be checks written by HACSA directly to a vendor; however it will be possible to give the escrow funds directly to the participant if this is determined to be appropriate by the FSS Advisory Board Compliance Review Subcommittee. If the funds are released directly to the FSS Participant he/she will be asked to provide receipts or verification of how the money was used. If the participant does not provide these materials in a timely manner, after the first withdrawal of escrow funds, they will not be eligible for a second withdrawal of escrow funds. In cases when the early withdrawal is used to purchase a home, the funds will be released only to the vendor.
- M. With the exception of funds being used for home buying, the maximum amount of money that will be released to the participant is 50% of the total cumulative funds which have been placed into the participant's escrow account.
- N. An FSS Participant who has not successfully completed the FSS Program, but who is moving to home ownership may request a maximum of 95% of his/her current escrow balance when the funds from the early withdrawal are to be used to purchase a home. The FSS Program Manager and the participant's FSS Coordinator will determine if there is a need for the Compliance Review Subcommittee to meet to review the request or if the FSS Program manager will approve the release of the funds without the committee meeting. In order for the request to be considered the following criteria must be met:
1. The FSS Head of Household must be an applicant on the home loan.
  2. All applicants to the home loan must reside in the home to be purchased.
  3. The FSS Head of Household must be employed.
  4. The FSS family must be deemed qualified for the loan by a lender.
  5. Home ownership must be a goal in the Training and Services Plan.
  6. All other criteria for Early Withdrawal of Escrow funds must be met.
  7. The family must agree to sign a release of Section 8 Voucher or give a notice to vacate their Public Housing residence prior to disbursement of funds.
  8. The family must agree to go off Public Housing or Section 8 Housing Assistance within one month of closing.

Upon approval of the Early Withdrawal, a letter of intent to disburse funds at closing will be given to the FSS participant and/or the lender. A check for the amount of Early Withdrawal will be written by HACSA directly to the vendor at the closing of the sale.

- O. FSS participants in Section 8 who are utilizing the Section 8 Home Ownership Program for their home purchase may make an early withdrawal request for a maximum of 50% of their cumulative escrow balance. They remain participants in the Section 8 program when they move to the home they have purchased. Because they still hold a Section 8 voucher they may remain in the FSS Program. The determination of the release of this money will be made by the participant's FSS Coordinator and the FSS Program manager rather than by the Compliance Review Subcommittee.

In order for the request to be considered the following criteria must be met:

1. The FSS Head of Household must be an applicant on the home loan.
2. All applicants to the home loan must reside in the home to be purchased.
3. The FSS Head of Household must be employed.
4. The FSS family must be deemed qualified for the loan by a lender.
5. Home ownership must be a goal in the Training and Services Plan.
6. All other criteria for Early Withdrawal of Escrow funds must be met.

## APPENDIX C

### Services Provided by the FSS Coordinator

---

#### They provide assistance with

- Job Search
- Job Interviews
- Parenting
- Resume Writing
- Career Exploration
- Organization
- Money Management
- Job Applications
- Brainstorming
- Goal Setting

FSS Staff can provide support and problem solving for self-sufficiency and basic life issues or they can simply listen to your needs and dreams.

#### They help FSS Participants to locate and access resources

- Alcohol/Drug Abuse
- Counseling
- Job Training
- English as a Second Language
- Money Management
- Credit Problems
- Individual Development Accts
- Financial Education
- Transportation
- Health Care issues
- Child Care
- Home Economics
- Home Ownership
- Support Groups
- Parenting education
- GED Preparation

## APPENDIX D

### FAMILY SELF-SUFFICIENCY ACTION PLAN GLOSSARY

**Contract of Participation:** A contract in a form approved by HUD entered into between an FSS Participating family and a PHA operating an FSS Program that sets forth the terms and conditions governing participation in the FSS Program. The Contract of Participation includes all Individual Training and Services Plans entered into between the PHA and all members of the family who elect to participate in the FSS Program.

**Earned Income:**

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services;
2. The net income from operation as a business or profession
3. All regular pay, special pay and allowances of a member of the Armed Forces (special pay to a family member in the Armed Forces who is exposed to hostile fire is excluded).

**Effective Date of the FSS Contract:** The FSS Contract will be effective the first day of the month following the date the contract is signed by the family and the HA's representative. The expiration date is five years from the effective date of the contract.

**Escrow Account:** An account established by the Housing Authority for each participating FSS family. The amount of the contributions to the escrow account will be computed according to a formulae established by HUD.

**Essential Service:** A service which must be available before the family can take advantage of other available services. Such things as transportation to job or school, and basic literacy training may be considered essential services. The FSS program is self-limiting. Participation depends on the availability and accessibility of essential services. Participant need to be self-motivated in researching and locating service options to meet their current and future needs. If an essential service becomes unavailable while a family is participating in FSS, they will have the latitude to renegotiate their short term and long term goals to address the change in their Individual Training and Services Plan.

**Good Cause:**

1. To extend the amount of time allowed to submit an application, OR to extend the amount of time allowed to determine if a person will participate in the FSS Program, OR to extend the assessment period beyond 60 days, Good Cause will mean major life or family traumas, personal disasters (such as accidents, fire, etc.), hospitalization of self or family, or other circumstances beyond the individuals control.
2. If someone misses a meeting or an Information Session, Good Cause will include items such as transportation failures, child care difficulties, illness and other unexpected emergencies.
3. For purposes of contract extension Good Cause will mean circumstances beyond the participant's control which occur in the last year of their FSS Contract which would cause them to be unable to successfully complete the FSS Contract within the five year period.

**Seeking Employment:** Activities such as looking for a job, applying for work, going to job interviews, volunteering in a position which will increase employability, and otherwise following up on employment opportunities

**Successful Completion of the FSS Program:** A family will have successfully completed the FSS Program when they have met all of the following criteria:

1. They have received no welfare assistance for a period of twelve months,
2. They have completed the goals in their Individual Training and Services Plans
3. They have met the definition of Economic Self-Sufficiency as defined by the HACSA Economic Self-Sufficiency Policy

**Suitable Employment:** The HA, after consulting with the head of the family, will determine what employment is suitable based on the skills, education and job training of that individual and available job opportunities in the area. Suitable employment is that which can assist the family to reach economic self-sufficiency.

**Supportive Services:** The services that a family needs in order to be able to become economically self-sufficient.

**Welfare Assistance:** Income assistance from Federal or state welfare programs, and includes only cash maintenance payments designed to meet a family's ongoing basic needs.



## Family Self-Sufficiency Contract of Participation Extension Agreement

The Housing And Community Services Agency of Lane County's Family Self-Sufficiency Program grants an Extension of the FSS Contract of Participation through \_\_\_\_\_ to \_\_\_\_\_.

1. This extension is applicable as long as this participant remains eligible for the FSS program.
2. In order to successfully complete the FSS program, this participant will be required to complete the FSS Contract including all existing and updated Final and Interim goals outlined in her/his Individual Training and Services Plan, the activities included in the FSS Contract of Participation Extension Agreement Addendum, and meet the definition of economic self-sufficiency.
3. Extension of the Contract of Participation entitles this participant to continue to have amounts credited to her/his FSS escrow account in accordance with the terms of the Contract of Participation.
4. If the Contract of Participation and all goals are not completed by \_\_\_\_\_, this Contract of Participation will be terminated ending participation in the Family Self-Sufficiency Program. If termination occurs this participant will forfeit any funds in her/his FSS escrow account.
5. All rights, responsibilities, rules and regulations of the Contract of Participation and the Family Self-Sufficiency Program apply for the duration of this extension.

I have read, understand and agree to the above conditions of this Extension to the FSS Contract of Participation:

Participant Signature \_\_\_\_\_ Date \_\_\_\_\_

FSS Staff Signature \_\_\_\_\_ Date \_\_\_\_\_

### FSS Contract of Participation Extension Agreement Addendum:

In order to successfully complete the FSS Program, this participant will be required to complete the following activities: I have read, understand and agree to the above conditions of this Extension to the Contract of Participation:

Participant Signature \_\_\_\_\_ Date \_\_\_\_\_

FSS Staff Signature \_\_\_\_\_ Date \_\_\_\_\_

Complex	Representative	Representative
<b>Laurelwood Homes</b>	<b>Char Reavis</b> 1334 11 <sup>th</sup> St Florence 97439 Cell: 541-999-7200 charreavis@charter.net	<b>Trista Burnett-Meade</b> 1333 11 <sup>th</sup> St Florence 97439 Ph: 541-999-8656 trista_morgan@yahoo.com
<b>McKenzie Village</b>	<b>Nan Balich</b> 1695 Kelly St Springfield 97477 Ph: 541-747-1598	<b>Chester Turrell</b> 412 W Quinalt Springfield 97477 Ph: 541-228-8848 docspad@yahoo.com
<b>Lindeborg Place</b>	<b>Analee Tohill</b> 840 Holly St #106 Junction City 97448 Ph: 1-541-997-1626	<b>Evelyn Fackler</b> 840 Holly St #119 Junction City 97448 Ph: 541-968-1389
<b>Riverview Terrace</b>	<b>Pat Dean</b> 925 W Main St #106 Cottage Grove 97424 Ph: 541-942-4683 soxsie@hotmail.com	<b>Dewanda McKinley</b> 925 W Main St #507 Cottage Grove 97424 Ph: 541-942-2657 Cell: 541-654-7249 dewanda.mckinley@outlook.com
<b>Maple Wood Meadows</b>	<b>Glenna Norris</b> 2804 Matt Drive Eugene 97408 Ph: 541-914-6060 norris.glenna@yahoo.com	-Vacant-
<b>Springfield Scattered Sites</b>	<b>Jacqueline Floyd</b> 4340 Aster St. Springfield, OR 97477 Ph: 541-654-0108	-Vacant-
<b>Parkview Terrace</b>	<b>Jill Hoag</b> 255 High St #112 Eugene 97401 Ph: 541-543-3565 jebhoag@gmail.com	<b>Harry Walker</b> 255 High St #409 Eugene 97401 Ph:
<b>Veneta and Veneta Scattered Sites</b>	<b>Linda Jackson</b> PO Box 3 Veneta 97487 Ph: 541-653-1497 jacksonl08@yahoo.com	-Vacant-
<b>Abbie Lane Courts</b>	<b>Bonnie Bennett</b> 1011 Abbie Lane #10 Eugene 97401 Ph: 541-485-7090 bohnee369@q.com	-Vacant-
<b>Fourteen Pines</b>	<b>Jamie Robinson Lusk</b> 2832 Willakenzie Rd., Eugene 97401 541-359-8282 Jamierobinson541@yahoo.com	-Vacant-
<b>Appointed Commissioners</b>	<b>Char Reavis</b> 1334 11 <sup>th</sup> Street Florence 97439 Ph: 541-682-3410 charreavis@charter.net	<b>Hugh Massengill,</b> 255 High Street #313 Eugene 97401 Ph: 541-682-3409 h.massengill@comcast.net

**HACSA Complexes not currently represented:** *Cresview Villa, Pengra Court, Village Oaks, Eugene Scattered Sites.*

## 10/01/15 - 09/30/16 Resident Participation Fund Budget

The Resident Participation Fund is used to: 1) enhance communication between residents and staff as well as among residents; 2) promote and support resident participation in events within the development as well as Agency-wide events and programs; 3) enhance outreach efforts of Agency services to all residents; 4) support the needs of the Tenant Advisory Group. Resident participation activities are intended to supplement HACSA's Agency Plan activities and training.

Item	Budget
<b>Resident Programs</b> (Extra Helping, Brown Bag, mileage, supplies, etc.)	<b>\$2,750.00</b>
<b>TAG /Resident Training</b> (Leadership, Commissioners, Treasurers, etc.)	<b>\$6,250.00</b>
<b>Resident Meetings</b> (Refreshments, door prize incentives, child care)	<b>\$4,750.00</b>
<b>Community Gathering Grant Fund</b>	<b>\$850.00</b>
<b>Computers / Equipment Support</b>	<b>\$350.00</b>
<b>TAG Expenses</b> (Elections, refreshments, mileage, etc.)	<b>\$3,250.00</b>
<b>Miscellaneous</b> (Outreach, reimbursements, etc.)	<b>\$2,800.00</b>
<b>subtotal</b>	<b>\$21,000.00</b>
2015-16 RPF Amount	\$10,290.00
2014-15 Rollover	\$10,746.74
<b>TOTAL 2014-2015 AVAILABLE</b>	<b>\$21,036.74</b>

## The HACSA Section 8 HomeOwnership Program

HACSA's Section 8 HomeOwnership program was restarted in 2015 after a brief hiatus used to review and update program guidelines. HACSA's Section 8 HomeOwnership Program follows best practices outlined by Nan McKay. In addition, participants are required to attend a Section 8 HomeOwnership Information Session as the first step towards participating in this program. Voucher holders who are still interested in the program are then referred to participate in the Family Self Sufficiency Program (FSS) where they receive assistance with becoming ready for homeownership and the responsibilities it entails. As an FSS participant, they are also eligible to build an Escrow savings account if they are working or self-employed, and are eligible to start an Individual Development Account to be used as a down payment. In FSS, participants address issues such as financial literacy, credit repair, and budgeting. In 2015, 18 Housing Choice Voucher holders attended Information Sessions for the S8 Home Ownership Program, and 12 of those applied for the FSS Program.

### *Program Statistics:*

Currently, there are 20 families receiving homeownership assistance from HACSA.

6 families live in Springfield, 3 families live in Eugene, 3 families live in Oakridge, 3 families live in Junction City, 3 families live in Veneta, and 2 families live in Cottage Grove.

These families include:

45 family members

-including 12 children from 5 families

13 families with a female head of household

7 families with a male head of household

7 families with an elderly head of household

14 families with the head of household being a person with a disability

**Element 8.**

**Safety and Crime Prevention**

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# HACSA

Housing and Community Services Agency of Lane County  
300 West Fairview Drive, Springfield, OR 97477-2909



(541) 682-4090 | Fax (541) 682-3875 | [www.hacsa.org](http://www.hacsa.org)

March 2016

HACSA has a long history of promoting safety and preventing crime in our housing programs by maintaining relationships with area law-enforcement agencies. HACSA works with eight (8) such agencies, including the Florence Police Department, Eugene Police Department, Springfield Police Department, Junction City Policy Department, Cottage Grove Police Department, Oregon State Police, Lane County Sheriff's Office and the Lane County Parole and Probation Office.

HACSA receives Calls for Service from the area's two largest law-enforcement agencies, the Springfield and Eugene Police Departments. These reports list the details of all police/emergency calls for every unit owned by HACSA in the Eugene/Springfield communities. Property Managers receive the Calls for Service, and follow up on relevant calls by obtaining copies of police reports and court records. Property Managers then take appropriate lease-enforcement actions as needed.

HACSA is a certified LEADS (Law Enforcement Data System) Agency with access to the Oregon State Police criminal records database. HACSA uses this system for Applicant and Resident criminal history checks. HACSA previously had access to the Lane County's Area Information Records System (AIRS), a database managed by a consortium of local law-enforcement agencies. The AIRS system has been retired, so our access to information in outlying areas has been reduced. However, we will be working with local agencies over the next year to re-establish contacts and obtain access to law-enforcement information.

In 2012, HACSA acquired a fingerprint scanner and received authorization from the FBI to take fingerprints and obtain NCIC records electronically. Additionally, HACSA uses OJCIN (Oregon Judicial Case Information Network) to support our screening policies. Altogether, these systems limit access to our programs by applicants involved in violent and/or drug-related criminally activities. In accordance with our Statement of Policies, HACSA reviews all available information to determine an Applicant's eligibility for housing.

Our work with local Law Enforcement Agencies allows monitoring, preventing and evaluating crime and criminal activity in our complexes. In addition, the information is used for Trespass Notices, Letters of Concern, and Notices of Eviction, as appropriate. HACSA also provides office locations in our largest Public Housing complex for two Lane County Parole and Probation Officers, as well as additional office space for one Parole and Probation Office in one of our elderly/disabled complexes in Junction City.

Since 1997, HACSA has tracked crime and crime-related statistics in its Public and Assisted Housing complexes. Past reviews of local Uniformed Crime Reporting (UCR) data indicates our complexes are as safe or safer than the surrounding areas.

**Element 9.**

**Pets**

The reference materials for Element 9 can be found in the following documents:

**9. Pets**

<b>Program</b>	<b>Policy</b>	<b>Document</b>	<b>Location</b>
Public Housing	Pet Policy	Pet Policy & Service Animal Guidelines	Chapter 10

**Element 10.**

**Civil Rights**



# HACSA

Housing And Community Services Agency of Lane County  
177 Day Island Road, Eugene, OR 97401-2484



(541) 682-3755 | Fax (541) 682-3411 | [www.hacsa.org](http://www.hacsa.org)

## **Statement of Housing Needs and Strategy for Addressing Housing Needs**

The assessment of the impediments to fair housing and fair housing plan strategies, submitted by HACSA with its Annual PHA Plan for the Fiscal Year beginning October 1, 2015, was developed with input from the City of Eugene and the City of Springfield Consolidated plan 2015.

While some of the identified impediments are not directly related to the federal Fair Housing Act, as a Public Housing Authority that sponsors the Fair Housing Council of Oregon, HACSA continues to believe that the lack of availability of affordable, accessible housing is a problem in our community and therefore, had maintained its efforts to promote affordable, accessible housing in addition to our efforts to overcome the more specific impediments which are directly related to the federal Fair Housing Act.

Our strategies to increase the availability of affordable, accessible housing include aggressively pursuing additions to the housing supply through the use of government subsidies and incentives. During 2015 HACSA began construction on a multi-family housing complex in North Eugene. The complex, named Bascom Village is a 101 unit complex which was developed in two phases. Phase I, developed by St. Vincent de Paul has 51 units and was ready for occupancy in October, 2015. Phase II, developed by HACSA, has 48 units and is expected to be ready for occupancy in November, 2016. Also during 2015, HACSA was awarded a 9% low income housing tax credit for a project called The Oaks at 14<sup>th</sup>. This project, constructed in partnership with Sponsor's Inc., will house 54 ex-offenders in West Eugene and will begin construction in May 2016 with occupancy projected for May, 2017. At the present time there are at least two other projects in HACSA's development pipeline.

## **Affirmatively Furthering Fair Housing**

The Housing And Community Services Agency of Lane County (HACSA) has made a strong commitment to promoting Fair Housing rights and Fair Housing choice by providing information regarding Fair Housing and Fair Housing choice to applicants, residents and staff. Following is a list of actions that HACSA has taken:

- The Fair Housing logo “Equal Housing Opportunity” is prominently displayed on location signs at HACSA’s two administrative offices and at its various housing complexes
- The Fair housing logo is prominently displayed on signs/banners at various HACSA locations, announcing the availability of low-income rental units
- The Fair Housing logo is on HACSA letterhead and business cards
- HACSA’s Policy of Nondiscrimination on the Basis of Disability/Handicap Status is prominently displayed in the lobbies of HACSA’s two administrative offices and in public areas at its various housing complexes
- HACSA’s Policy of Nondiscrimination on the Basis of Disability/Handicap Status is prominently displayed on HACSA’s website: [www.hacsa.org](http://www.hacsa.org)
- Don Bucholz, HACSA’s Public Housing Intake Coordinator, is listed on HACSA’s Policy of Nondiscrimination on the Basis of Disability/Handicap Status, and in HACSA’s Statement of Policy, as HACSA’s 504/ADA Coordinator.
- HUD Form 928.1 (“We Do Business in Accordance With the Federal Fair Housing Law” poster) is prominently displayed in English and Spanish in HACSA’s two administrative offices and in public areas at the various housing complexes
- HUD Form 1686-FHEO (\*Fair Housing – It’s Your Right\* Pamphlet) is available in English and Spanish in HACSA’s two administrative offices
- \*Filing a Housing ‘Discrimination Complaint’ - a pamphlet created by Consumer Action with funding from the U.S Department of Housing and Urban Development (HUD) is available in English and Spanish at HACSA’s two administrative offices
- Applicants or residents with questions about Fair Housing issues are referred, or directed via website link, to the Fair Housing Council of Oregon, Legal Aid Services of Oregon (LSAO) or Lane County Law & Advocacy Center (LCLAC), the Oregon Advocacy Center (OAC), the Lane Independent Living Alliance (LILA), the Oregon Bureau of Labor and Industries (BOLI), and/or to the US Department of Housing & Urban Development (HUDF) / Office of Fair Housing and Equal Opportunity (FHEO)

- HACSA has a long-standing Policy on Reasonable Accommodation, which is recognized in the Pacific Northwest among public Housing Authorities and by the regional HUD office as being comprehensive , well-written, and well-implemented
- HACSA's Policy on Reasonable Accommodation is prominently displayed in HACSA's two administrative offices and in public areas of its various housing complexes. It is available to any applicant or resident and is included ad Appendix D in HACSA's Statement of Policies. It is also posted on HACSA's website at [www.hacsa.org](http://www.hacsa.org)
- Applicants for, and recipients of, housing assistance from HACSA are advised of their right to request a reasonable accommodation to their disability. Information regarding reasonable accommodations is provided on the pre-application for assistance, in initial determination of ineligibility, in the public housing and assisted housing lease agreements, in notices of eviction, in periodic resident newsletters, and discussed during the intake process during any informal settlement discussions and during other discussions with applicants and/or residents when inquiries are made about accommodating disabilities.
- Under the terms of a voluntary compliance agreement between the us department of HUD/FHEO and HACSA, HACSA's pre application for housing assistance requests information from applicants – which is not used in determining their eligibility for housing regarding their ethnicity, race, and disability status. This information is recorded and retained and available to HUD upon request
- HACSA created the diversity committee in April 2000. That committee was renamed the Inclusion Council in 2012. As a function of that committee, HACSA has completed outreach presentations to agencies representing youth, seniors/elderly, persons with physical and/or mental disabilities, and minorities, to help assure that a broad base of the community has access to information about the availability of housing. This outreach effort continues on an ongoing basis and representatives from a number of those social service/advocacy agencies serve on HACSA's family self-sufficiency advisory board, the inclusion council has also done outreach at the Festiva Latina, the Asian celebration, project homeless connect, and other community gatherings
- HACSA maintains reception staff – as well as other staff in all departments that have ongoing contact with residents who are bilingual/bicultural in Spanish and English
- HACSA has also worked to increase the ability of low income community members to access housing by developing an innovative program in cooperation with community lending-works, the lending arm of NEDCO (neighborhood economic development corporation), to assist applicants to its agency-owned housing programs, in obtaining loans to cover the cost of their security deposits, as they lease up with HACSA. HACSA indemnifies the loans, guaranteeing payment to NEDCO, should the applicant default.

## **Impediments to Fair Housing**

**Impediment: There is a limited awareness of fair housing policies in the broader community**

Strategies:

Rent Assistance Division Director Beth Ochs has joined the board of the Eugene/Springfield Rental Owners Association (ROA). In that role, Beth makes regular presentations to the ROA on topics related to Fair Housing.

Ms Ochs presented to an audience of over 100 at the Eugene Fair Housing Conference during 2015.

Executive Director Jacob Fox is on the Poverty and Homelessness Board, and chairs their facilities committee; in that position Jacob strives to further the goals of Fair Housing.

Mr Fox recently participated on a panel with Terry McDonald of St Vincent de Paul, presenting to the Eugene City Club on the topic of low income housing.

HACSA continues to support Blacks in Government at their annual celebration and educational event.

HACSA mandated a 4-hour all-staff training in Fair Housing laws.

Updated Fair Housing information was added during a recent revision of the Section 8 program briefing packets.

Section 8 Division leadership participates annually in the University of Oregon Internship Fair. This is an opportunity to inform students about HACSA's work in the community to promote Fair Housing.

HACSA coordinated a community action committee in conjunction with its development of The Oaks at 14<sup>th</sup>, a 55 unit complex currently being developed as a LIHTC. This complex will serve ex-offenders who will receive on-site case management thru Sponsors.

HACSA has produced updated maps showing concentrations of poverty in Lane County

HACSA has a presence on the Human Rights Commission and the United Way Equity Coalition.

**Impediment: There are cultural differences and language barriers which inhibit access to fair housing**

Strategies/Outputs:

HACSA continues to support the work of the Inclusion Council (IC), an internal committee charged with scheduling training sessions for employees that focus on cultural differences. All employees are required to attend two per year. For the coming year, the IC has a goal to provide one training session per month.

During 2015 the IC coordinated 4 trainings with an average attendance of 21 employees. During the first four months of 2016, the IC coordinated 3 trainings with an average attendance of 20 employees.

HACSA conducts targeted recruitments for bilingual employees. At the present time there are 7 bilingual employees (English/Spanish). HACSA also has staff members proficient in German, Polish, Hindi and French.

HACSA is currently working on adding a program called Language-Line. This product will facilitate translations for non-English speakers trying to work with HACSA when their language is not one spoken by HACSA bi-lingual staff.

HACSA was a participant in the Centro Latino Americano Health Fair

HACSA, along with staff from Centro Latino Americano, administered a Meyer Memorial Grant aimed at creating educational materials about fair housing and access to low income housing for Spanish speaking community members. Staff contacted 365 individuals by phone or mail and described two significant changes to Oregon laws affecting Section 8 renters. The first made it illegal for a landlord to reject an applicant because the applicant holds a Section 8 voucher. The second change created a fund to reimburse landlords for tenant damage upon move-out up to \$5000. This means that move-in deposits can be lower without landlords risking huge out of pocket expenses to return a rental unit to good condition.

**Impediment: People with disabilities who have special housing needs have limited choices and are often constrained by their lower incomes**

Strategies/Outputs:

Quarterly meetings at VA to expedite referrals for homeless vets

VASH vouchers in use at 12/31/2015 = 168; compared to 143 as of 12/31/2014

HACSA is administering an Emergency Housing Assistance (EHA) grant which assists VASH voucher holders with miscellaneous costs related to lease-up. During the last grant-year, the total amount expended was \$30,209.

Quarterly meetings with Shelter Plus Case service providers to expedite referrals for S+C Program

Shelter Plus Care program participants at 12/31/2015 = 71; compared to 92 as of 12/31/2014

HACSA Shelter Plus Care program staff has recalculated rent-reasonableness, making it easier for participants to find affordable units in good neighborhoods.

HACSA has 40 ADA units in public housing

HACSA has 42 ADA units in LIHTC properties

Reasonable accommodations requested by Public Housing residents in calendar 2015 equaled 112. 99 of these were approved.

Reasonable accommodations requested by Section 8 voucher-holders in the fiscal year ended 9-30-2015 equaled 94. 44 of these were approved.

National Alliance on Mental Illness (NAMI) provides resident services at New Winds, an 18-unit LIHTC project in Florence, Oregon

HACSA, in partnership with Lane County, is working to expand the Housing First movement for people with disabilities or other barriers to housing.

Adopted  
***Eugene-Springfield  
Consolidated Plan – 2015***



A Five Year Strategic Plan  
————— *for* —————  
Housing and Community Development

## Acknowledgements

### Eugene City Council

Kitty Piercy, Mayor  
George Brown  
Mike Clark  
Greg Evans  
George Poling  
Chris Pryor  
Claire Syrett  
Betty Taylor  
Alan Zelenka

### Springfield City Council

Christine Lundberg, Mayor  
Sheri Moore  
Joe Pishioneri  
Dave Ralston  
Sean VanGordon  
Marilee Woodrow  
Hillary Wylie

### Citizen Advisory Committees

Eugene Community Development Block Grant Advisory Committee  
Eugene and Springfield Consolidated Plan Advisory Committee  
Intergovernmental Housing Policy Board  
Intergovernmental Poverty and Homelessness Board  
Intergovernmental Human Services Commission  
Springfield Community Development Advisory Committee

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City of Springfield  
Molly Markarian

HACSA  
Chuck Hauk

## Executive Summary

The Eugene-Springfield 2015 Consolidated Plan presents a strategic vision for housing and community development for the period beginning in July 2015 and ending in June 2020. The goals and activities outlined in the Consolidated Plan are based on priorities identified through an analysis of community needs and on an extensive community outreach process.

The Cities of Eugene and Springfield must complete and adopt a Consolidated Plan every five years in order to receive Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME) and other HUD grants. The purpose of CDBG and HOME is to advance the following statutory objectives principally for extremely low-income, low-income and moderate-income residents:

- Provide decent, safe, and affordable housing
- Create suitable living environments (CDBG)
- Expand economic opportunities (CDBG)
- Expand the supply of decent, safe, sanitary and affordable housing (HOME)

In addition, the Cities of Eugene and Springfield must complete a Consolidated Plan One Year Action Plan (Action Plan) for each fiscal year within the five-year period. The Action Plan describes the Cities' annual allocation process for specific uses of HOME and CDBG funds during a specific fiscal year. The first Action Plan, for fiscal year 2015-2016 will be completed and submitted to HUD along with the 2015 Consolidated Plan.

The following summary of the Eugene-Springfield Consolidated Plan provides an overview of the Consultation and Citizen Participation process, Community Profile and Needs, Priority Needs, and a Strategic Plan. This document is a summary of materials submitted through HUD's electronic plan submission template.

Each section of the complete Plan is available at the Consolidated Plan web page:

<http://www.eugene-or.gov/hudconplan>

## Consultation and Citizen Participation

### Agency Consultations

The staff team met with the following agencies and organizations. The agencies provided information about housing and service needs for the people they serve, and provided feedback about the draft.

Cornerstone Community Housing  
 Eugene Planning Commission  
 Eugene Sustainability Commission  
 Housing and Community Services Agency  
 (HACSA)  
 Human Services Forum  
 Intergovernmental Housing Policy Board  
 Lane Integration Network  
 Neighborhood Economic Development  
 Corporation (NEDCO)

Oregon Housing and Community Services  
 Poverty and Homelessness Board  
 Public Safety Coordinating Committee  
 St. Vincent de Paul Society of Lane County,  
 Inc  
 ShelterCare  
 Sponsors, Inc  
 United Way Financial Stability Partnership  
 University of Oregon

### Agency Survey

In addition to these meetings, surveys were sent to 67 agency representatives, and responses were received from 44 people. The respondents noted the lack of affordable housing units or available land to build housing. Most indicated increases in their waiting lists. Many noted that mental health and substance abuse was an underlying problem of the clients they served. The largest impediment to maintaining housing was the lack of steady income. All comments were accepted and considered in the development of the Consolidated Plan.

Catholic Community Services of Lane County  
 Cornerstone Community Housing  
 DHS - Self Sufficiency & Child Welfare  
 Eugene Mission  
 Eugene Police Dept  
 Eugene School District 4J  
 Eugene Water and Electric Board  
 First Christian Church  
 FOOD for Lane County  
 Head Start  
 Lane Coalition for Healthy Active Youth  
 Lane County Legal Aid  
 Lane Education Service District  
 Lane Workforce Partnership  
 LULAC of Lane County  
 Mainstream Housing  
 Pearl Buck Center

Sexual Assault Support Services  
 Sponsors, Inc  
 Springfield School District  
 Springfield/Eugene Habitat for Humanity  
 St. Vincent de Paul Society of Lane County,  
 Inc.  
 Supporting Access to Independent Living, Inc.  
 Trillium Behavioral Health  
 United Way of Lane County  
 University of Oregon  
 VA Behavioral Health Reintegration and  
 Recovery Services Clinic  
 VA Homeless Program  
 White Bird Clinic  
 Willamette Family  
 Womenspace Inc

## Information from the Public

### Written Comments

Comments were received during the comment period. The first comment related to people who are under-housed. People who are couch surfing or staying with family or friends may not be counted as “homeless”, but people being under-housed is still a significant problem. This population should be explicitly included in the plan, and addressed in the strategic plan. Another comment was received to clarify that the priority need population of the unemployed or underemployed be also explicitly included in the strategic plan.

### Community Survey

A survey was developed and distributed on the internet, through social media, and at public computer terminals at Springfield’s public libraries. Where appropriate, the agencies receiving the provider survey were also sent the community survey and requested to send it to their clients. A total of 92 responses were received. The survey asked respondents to describe the reasons why affordable housing was difficult to find. The majority of respondents said that cost and the lack of housing were the main barriers. Additionally, comments were received about the difficulty of finding housing available to lower incomes, neighborhood quality and safety, high deposits, and wait lists.

Many of the open-ended responses in the community survey when respondents were asked if there was “anything else they you’d like to share” were focused around homelessness issues and affordable housing. Affordable housing was identified as a need, with the high cost of rent, and security and deposits. Other affordable housing-related issues raised include: Building codes and housing quality; sidewalk repair, need for street repair; needs of populations with disabilities, lack of employment and transportation to employment; and pet policies. Questions were also asked about the needs of the homeless. Responses included: development of a housing-first model; micro-housing and associated land use codes; criminalization of homelessness; and increase in low cost single room occupancy units.

### Citizen Participation Plan

A requirement of the Consolidated Plan is to develop and utilize a strategy to achieve citizen participation. This plan was adopted in the 2010 Consolidated Plan, updated and submitted with the 2015 Plan, and is summarized here.

The Cities will continue to encourage participation by low- and moderate-income persons throughout the community. Emphasis will be placed on reaching out to minority populations, non-English speaking persons, and persons with disabilities, in the preparation of the Plan. The Cities will also notify and seek the participation of local and regional institutions and other organizations, including businesses, developers, community and faith-based organizations, in the development and implementation of the Plan.

The Cities will make vital information that pertains to the Plan available to the citizens, public agencies and other interested parties on an annual basis. The information to be made available includes the amount of assistance the Cities expect to receive, available unspent prior year's funds and related program income, the range of activities to be undertaken, including the estimated amount of CDBG and other funds that will be expended on low- and moderate-income persons.

The Cities will provide interested parties with a reasonable opportunity to comment on the Plan or on any amendments to the Plan. The Cities will consider any comments or views of interested parties received in writing or orally, at any of the public hearings, or during the specified public comment review period.

Meetings are announced through posting on City websites and in the Register Guard. All public hearings are advertised in the Register-Guard Newspaper 14 days prior to the hearing.

For the development of the Consolidated Plan, one public hearing in addition to multiple public meetings is held over the course of the program year to obtain citizen views and to respond to proposals and questions. The hearing addresses housing and community development needs, development of proposed activities, and review of program performance. The Public Hearing is held prior to the proposed Consolidated Plan publication.

Public meetings are held at times convenient to potential and actual beneficiaries in locations that meet Americans with Disabilities Act accessibility standards. With 48 hours' notice prior to any public meeting, the Cities can provide the following services: an interpreter and audio equipment for the hearing impaired; a reader to review printed materials with the sight impaired, and a foreign language interpreter for non-English speaking residents.

## Community Profile and Needs

The Consolidated Plan relies upon an analysis of qualitative and quantitative data in order to identify housing, homelessness, and community development needs and trends. This picture of need is the basis of the proposed objectives and outcomes for the 2015 Consolidated Plan. In addition to the US Census data which provides the foundation for development of the document, the Cities of Eugene and Springfield utilized several alternative sources for needs data. These sources included several documents produced by the Lane Livability Consortium including Latino Public Participation Project and Community Indicators Project, November 2012; Assessment of Equity and Opportunity for Affordable Housing Residents, January 2014; and the Equity and Opportunity Assessment, July 2014.

The local economy is improving, although there is a significant number of households who cannot meet the basic needs for food, shelter, medical care and transportation. In addition, there are a growing number of seniors, persons with disabilities, and others who are unable to work. These factors, combined with a very tight housing market, have resulted in a large number of households with moderate or severe housing cost burdens. A review of noteworthy trends is provided below.

### Population Growth

The overall population of Eugene and Springfield continues to grow modestly at an annual projected population rate of 1.4%. The total population of Eugene and Springfield was 219,570 in 2013.

### Age Distribution

The population of Eugene and Springfield is aging. In 2000, people aged 60 to 75 accounted for 8% of the total population. This grew to 12% in 2010. For the same period, people under 45 accounted for 67% of the population in 2000, and this has dropped to 63% in 2010.

### Racial and Ethnic Composition

Eugene and Springfield are becoming more racially and ethnically diverse. Latino residents are the fastest growing population, representing 9% of the population in the two cities, and this population has grown 83% between 2000 and 2010. Approximately 18% of the population of the cities are either Latino or minority race.

### Household Composition

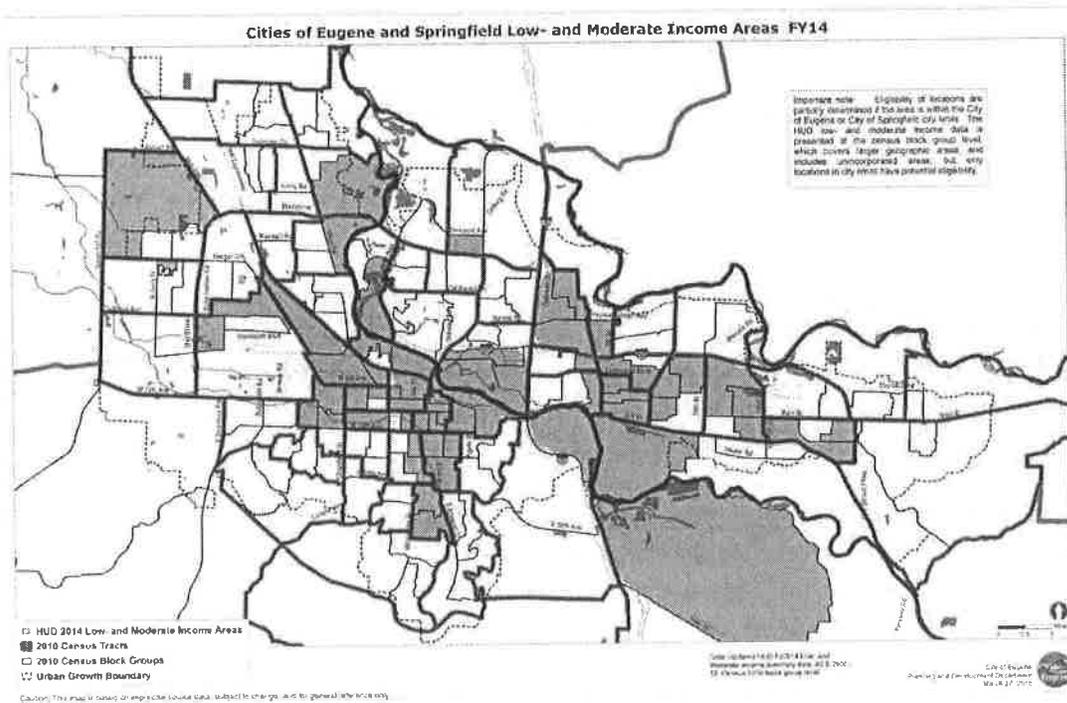
Family households still make up the largest percentage of households with 54% (Eugene – 51%, Springfield – 62%), and of those, there has been a 19% increase in the number of single female headed households. There has also been a significant increase in single person households which now make up 32% of all households. The largest growth in household type is non-family households which increased 22% between 2000 and 2010.

### Income and Poverty

The Median Family Income for both Eugene (\$40,628) and Springfield (\$39,598) is lower than the US (\$52,176) and Lane County (\$41,936). The impact of wages appears in other indicators, such as the fact that 19% of Lane County residents receive food stamp benefits (SNAP), and 50%

of students from the three Public School Districts in Eugene and Springfield are eligible for free and reduced lunch. Low wages also contribute to financial instability. At this time, 40% of households in Lane County do not have sufficient liquid assets to subsist at the poverty level for three months, in the absence of income.

Below is a map showing areas with concentrations of low- and moderate-income populations in Eugene and Springfield. The highlighted areas are census tracts where 51% or more of the population is low- to moderate-income. In Eugene, these areas are on Highway 99, the River Road area and the areas near downtown. Additionally, areas with large concentrations of student housing also are identified as an area with high concentrations of low- and moderate income populations, as many residents in these areas are attending college. In Springfield, the concentrations of low- and moderate-income persons are in the Glenwood area, Gateway, near downtown, and in mid-Springfield.



#### Persons with Disabilities

In the Cities of Eugene and Springfield, about 29,125 people, or 14%, live with one or more disabilities. The highest reported disabilities include ambulatory (49%), cognitive (45%), and difficulty with independent living (35%).

#### Persons Experiencing Homelessness

The 2014 Point in Time Count identified 1,769 people experiencing homelessness. Of those, 1,100 were unsheltered, 336 were families with children staying in a shelter, 415 were chronically homeless, 229 were veterans, 164 were victims of domestic violence and 202 were seriously mentally ill. For FY 2014, Lane County reported that 11,668 unduplicated individuals

who were homeless received human services from one or more agencies. The three public school districts in Eugene and Springfield report 1,616 homeless youth during 2014, and this definition includes students who are staying with friends or family.

#### Persons with Special Needs who are not Homeless

Limited new data exists specific to non-homeless special needs populations in the cities of Eugene and Springfield. There are numerous sub-populations in this community. Of those, there are some that have both sufficient numbers and unique housing and service needs that warrant identification. Those include the following: veterans; children; people exiting incarceration; victims of violence; people living with HIV/AIDS; people living with drug or alcohol addictions; and college-age students. Children and youth aging out of foster care are newly identified special needs population worthy of specific attention.

#### Employment and Economy

Employment conditions in Lane County are improving but have not yet returned to pre-Recession levels. At its greatest, the unemployment rate in May 2009 was 12.8%. In February 2015 this had dropped to 6.1%. According to an Oregon Employment Department March 2015 article, between 2007 and 2010, Lane County lost 18,000 jobs. Since 2010, 9,800 jobs have been gained. In Eugene, the unemployment remains above 11% while in Springfield the unemployment rate is nearly 13%.

Unemployment in the region is creating a hardship not only for skilled workers, but for the new workforce of youth 16-24 years old, at 20%. With the high unemployment and demand for skilled workers, youth are not able to gain job experience, a situation which is shown to impact their lives long term through lower earnings and less labor market engagement.

#### Housing Units and Tenure

Together, Eugene and Springfield contain more than 89,400 housing units. The balance between unit types has remained relatively stable since 1990, with single family units accounting for 61% of the total, multi-family units for 33% and the remainder mobile/manufactured homes. The data also indicates that the majority of units available to renters are two-bedroom units, and the number of two-bedroom units has remained constant near 42% since 2000. There has been an increase in the number and percentage of three bedroom units, from 21% to 30% of all rental units, or an increase of 5,277 units. There is a commensurate decrease in the percentage of no- and one-bedroom units, from 38% of all rental units in 2000 to 28% in 2013, or a decrease of 1,800 units. About 51% of the housing units in the two cities are owner-occupied, with 49% renter-occupied. This reflects a slight reduction in the number of owner occupied units since 2000 of 52%.

#### Assisted and Public Housing

A variety of assisted housing developments are currently available and serving low-income persons in the cities of Eugene and Springfield. There are a total of 4,452 assisted housing units in 113 developments in both cities, including projects subsidized with Section 8, Low-Income Housing Tax Credits, or other project-based subsidies. Eugene and its urban growth boundary has

a total of 3,516 units in 83 developments and Springfield and its urban growth boundary has 866 units in 28 developments.

The Housing and Community Services Agency of Lane County (HACSA) serves as the housing authority for the cities of Eugene and Springfield. There are a total of 705 public housing units, and as of January 2015, 683 were leased. HACSA has 708 public housing vouchers available, with 695 in use. Additionally, HACSA has 2,817 total vouchers (2,556 in use), of which 211 are designated as Veterans Affairs Supportive Housing (143 in use). For all voucher programs, 8% are held by households with one or more persons who identify as a minority race or ethnicity.

HACSA maintains a waiting list for all of their public housing units. There are 957 people on the one-bedroom wait list, with an average wait time of up to five years. The wait list for two-bedroom units is 939 with a wait time of up to three years. For three-bedroom units, there are 177 families, with a one year wait. Finally, there are 56 families on the 4- bedroom wait list, and the wait time is incalculable for the four-bedroom units because of their scarcity. The Section 8 waiting list was last opened in 2013. It is expected that when it is opened in 2015, 2,500 people will respond to the online application. At this point in time, many vouchers holders are unable to find suitable housing; units have rents that exceed voucher programs' rent limitations or do not meet the minimum habitability standards.

#### Housing Cost Burden

Housing costs in the Eugene-Springfield area have risen sharply over the past 25 years while incomes have risen slowly, forcing many households to pay more for housing than is affordable. Households paying more than 30% of household income are considered to have a 'housing cost burden'. A majority of the renters in Eugene (54%) and Springfield (51%) are considered housing cost burdened, while approximately a third of home-owners are also cost burdened (Eugene – 32%, Springfield – 33%).

#### Housing Conditions and Lead Based Paint

In the cities of Eugene and Springfield, approximately 61% (54,600) of the total housing units were built prior to 1980 and may contain lead-based paint. Approximately 11,437 homes pose potential lead-based paint hazards in the cities of Eugene and Springfield.

Despite the age of the housing stock, the physical condition of the housing in Eugene and Springfield is generally good, as there are relatively few housing units (1,279) in the area that are considered substandard according to HUD. Of those, 97% are rental units, and 79% are occupied by people making 50% or less of the average median income. Based on input received during provider and public consultations, units available to low income residents tend to have more significant issues, and because of the scarcity of affordable low-income housing, residents are reluctant to raise their concerns for fear of losing the housing.

Manufactured dwelling parks are areas where people rent or lease a space for their manufactured home, which they may rent or own. A manufactured dwelling is a more affordable way for many people to own a home, or live independently in an environment for older

individuals. About 5% of the housing units in Eugene and Springfield are manufactured home park spaces, with nearly 40% of the homes in three census tracts. These tracts are located in west Eugene, Glenwood, and mid-Springfield.

## Priority Needs

The purpose of identifying the community needs and trends, conducting surveys and meeting with providers is to identify what the priority needs are for the low-and moderate-income households in this community for the next five years. Listed below are the needs that were identified through the analysis that have been identified as priority needs to address using HUD funds.

### Renters

Low and very low-income people need increased access to quality affordable rental housing. There are a total of 31,055 low-income renter households in Eugene, and 7,335 in Springfield.

- A significant majority of low-income renters experience a housing cost burden, overcrowding, and/or substandard housing conditions (Eugene – 78%, Springfield – 76%)
- A significant majority of low-income renters spend more than 30% of their income on housing costs (Eugene – 76%, Springfield – 74%)
- A large percentage of low-income renters spend more than 50% of their income on housing costs (Eugene – 51%, Springfield – 34%)

### Home Owners

Low and very low-income people need increased access to affordable home ownership opportunities and support to remain homeowners. There are 6,830 low-income owner occupied households in Eugene, and 3,860 in Springfield.

- A significant majority of low-income owners experience a housing cost burden, overcrowding, and/or substandard housing conditions (Eugene – 76%, Springfield – 57%)
- A significant majority of low-income owners spend more than 30% of their income on housing costs (Eugene – 64%, Springfield – 56%)
- A large percentage of low-income owners spend more than 50% of their income on housing costs (Eugene – 40%, Springfield – 31%)

### Homeless

People need access to housing and supportive services to prevent them from becoming homeless and to leave homelessness.

- The 2014 Point in Time Count identified 1,769 people experiencing homelessness.
- Of those, 1,100 were unsheltered, 336 were families with children staying in a shelter, 415 were chronically homeless, 229 were veterans, 164 were victims of domestic violence and 202 were seriously mentally ill.

- Lane County reported that 11,668 unduplicated individuals who were homeless received human services from one or more agencies in fiscal year 2014.
- The three public school districts in Eugene and Springfield report 1,616 homeless youth during 2014, and this definition includes students who are staying with friends or family. The definition of homeless for purposes of the Plan includes people who are “doubled-up”.

#### Non-Homeless Special Needs Populations

People with special needs need additional support for housing and supportive services. This includes seniors, ex-offenders, people with HIV/AIDS, victims of domestic violence, people with drug and alcohol addictions, people who are evicted or foreclosed, people with physical and mental disabilities, veterans, youth and college students, and youth aging out of foster care.

- Special needs populations need additional support as it relates to affordable housing, human services, employment opportunities, and accessibility improvements in housing and public facilities.

#### Employment Opportunities

People who have low-incomes, are unemployed or underemployed need a broader range of employment opportunities, including self-employment

- Between 2007 and 2010, Lane County lost 18,000 jobs.
- The loss of jobs combined with the subsequent recession, have widened the gap between employed wages and housing costs.

#### Low-Income Areas and Areas of Slums and Blight

Geographic areas defined as areas of slums or blight or as low-income areas need additional support for rehabilitation and public facility improvements

- There are several areas in this community that are or could meet the HUD requirement for an area of slums and blight which would allow different uses of CDBG funds. These areas could benefit from increased investments in the area.
- There are several areas of this community that are characterized by 51% or more low- to moderate-income residents, which can benefit from increased investments in this area.

## Strategic Plan

After identification of the priority needs, strategies are developed that address those priority needs. Below is a summary of the strategies that have been identified that both meet priority needs and are also eligible uses of HUD funds. A table following this section shows the relationship between identified strategies and the priority needs of Eugene and Springfield for use of federal funds received from HUD.

Increase the supply of affordable housing.

Housing affordability challenges illustrate that it is necessary to continue to add units to the stock of affordable housing. The Cities of Eugene and Springfield will use a combination of HOME and CDBG funds for land and development subsidies for new construction of affordable housing, as well as for assistance to non-profit sponsors to build capacity for new development. This strategy will address the priority needs and support projects to meet the needs of renters, the homeless, and special needs populations, including seniors, ex-offenders, people with HIV/AIDS, victims of domestic violence, people with drug and alcohol addictions, people who are evicted or foreclosed, people with physical and mental disabilities, veterans, youth and college students, and youth aging out of foster care.

Rehabilitate existing housing stock affordable to low-income persons.

In addition to adding units, continued efforts are necessary to preserve existing rental and ownership housing for low-income persons. The Cities of Eugene and Springfield primarily use CDBG funds for this purpose, and use funds to provide assistance for minor home repairs and accessibility improvements. Additionally, the City of Eugene operates a Housing Revolving Loan Pool with CDBG funds for rental rehabilitation and owner rehabilitation loans. This strategy will address the priority needs of renters, home owners, the homeless, low-income areas, and special needs populations, including seniors, ex-offenders, people with HIV/AIDS, victims of domestic violence, people with drug and alcohol addictions, people who are evicted or foreclosed, people with physical and mental disabilities, veterans, youth and college students, and youth aging out of foster care.

Provide down payment assistance for home ownership.

Both the Cities of Eugene and Springfield operate down payment assistance programs to help low-income persons become homeowners. The assistance received by each household is modest but plays a critical role in enabling them to become homeowners. In addition, the units vacated by households receiving homebuyer assistance become available to other renters. As part of efforts to affirmatively further fair housing, the Cities of Eugene and Springfield work together to enhance home ownership opportunities for persons of minority race and ethnicity. This strategy will address the priority needs of home owners.

Remove barriers to affordable and supportive housing.

Both the Cities of Eugene and Springfield seek opportunities to affirmatively further fair housing and also raise awareness of the housing needs of low- and moderate-income persons, so these

may be considered in the development of related policies and regulations. This strategy will address the priority needs of renters, home owners, the homeless, and low-income areas.

Support a human services delivery system to address the needs of homeless persons and special needs populations.

The Cities of Eugene and Springfield collaborate with Lane County to fund human service providers. This collaborative funding model uses available federal, state and local funds to efficiently support local agencies. The Human Services Commission is the intergovernmental body that guides the use of funds and oversees the activities of agencies receiving funds. In addition, both the Cities of Eugene and Springfield provide capital grants for public facilities operated primarily by nonprofit service providers. This strategy will address the priority needs of the homeless and special needs population, including seniors, ex-offenders, people with HIV/AIDS, victims of domestic violence, people with drug and alcohol addictions, people who are evicted or foreclosed, people with physical and mental disabilities, veterans, youth and college students, and youth aging out of foster care.

Promote economic development and employment opportunities through the creation of jobs and business development.

The Cities of Eugene and Springfield will use CDBG funds to undertake economic development activities resulting in job creation for low- and moderate-income households. The City of Eugene's Business Development Fund will continue to provide loans to local businesses resulting in job creation or retention. This Fund operates primarily with program income from previous business loans. The City of Springfield has initiated a similar program to provide loans to local businesses and will continue to provide such loans. Both Eugene and Springfield expect to continue support of microenterprise training for low- and moderate-income persons. This strategy will address the priority needs of increasing employment and self-employment opportunities, for people who are unemployed or underemployed.

Make strategic investments to improve low-income neighborhoods and other areas of slums and blight.

Both the Cities of Eugene and Springfield will consider strategic investments in capital improvement projects serving eligible areas. Such projects may include public infrastructure and other facilities. This strategy will address the priority needs of renters, home owners, homeless, special needs, low-income areas and slums and blight, and employment opportunities.

Priority Needs - Table

Priority Need	Explanation
<p><b>Renters</b> - Low and very low income people need increased access to quality affordable rental housing</p>	<ul style="list-style-type: none"> <li>• A significant majority of low-income renters spend more than 30% of their income on housing costs (Eugene – 76%, Springfield – 74%)</li> <li>• A significant majority of low-income renters experience over-crowding, substandard housing, or a housing cost burden (Eugene – 78%, Springfield – 76%)</li> <li>• A large percentage of low-income renters spend more than 50% of their income on housing costs (Eugene – 51%, Springfield – 34%)</li> </ul>
<p><b>Home Owners</b> - Low and very low income people need increased access to affordable home ownership opportunities and support to remain homeowners</p>	<ul style="list-style-type: none"> <li>• A significant majority of low-income owners experience over-crowding, substandard housing, or a housing cost burden (Eugene – 76%, Springfield – 57%)</li> <li>• A significant majority of low-income owners spend more than 30% of their income on housing costs (Eugene – 64%, Springfield – 56%)</li> <li>• A large percentage of low-income owners spend more than 50% of their income on housing costs (Eugene – 40%, Springfield – 31%)</li> </ul>
<p><b>Homeless</b> - People need access to housing and supportive services to prevent them from becoming homeless and to leave homelessness</p>	<ul style="list-style-type: none"> <li>• A total of 11,668 homeless individuals were served in FY 2014 by agencies funded by Lane County.</li> <li>• The three public school districts in Eugene and Springfield report 1,616 homeless youth during 2014, and this definition includes students who are staying with friends or family.</li> <li>• The definition of homeless for purposes of this Plan includes people who are "doubled-up".</li> </ul>
<p><b>Non-Homeless Special Needs Populations</b> - People with special needs including seniors, ex-offenders, people with HIV/AIDS, victims of domestic violence, people with drug and alcohol addictions, people who are evicted or foreclosed, people with physical and mental disabilities, veterans, youth and college students, and youth aging out of foster care.</p>	<ul style="list-style-type: none"> <li>• Special needs populations need additional support as it relates to affordable housing, human services, and employment opportunities.</li> </ul>
<p><b>Employment Opportunities</b> - People who have low incomes, are unemployed or underemployed need a broader range of employment opportunities, including self-employment</p>	<ul style="list-style-type: none"> <li>• Between 2007 and 2010, Lane County lost nearly 18,000 jobs.</li> <li>• The loss of jobs combined with the subsequent recession, have widened the gap between employed wages and housing costs.</li> </ul>
<p><b>Low-income Areas &amp; Areas of Slums and Blight</b> - Geographic areas defined as areas of slums and blight or as low-income areas need additional support for rehabilitation and public facility improvements</p>	<ul style="list-style-type: none"> <li>• There are several areas in this community that are or could meet the HUD requirement for an areas of slums and blight which would allow different uses of CDBG funds. These areas could benefit from increased investments in the area.</li> <li>• There are several areas of this community that are characterized by 51% or more low-to moderate-income residents, which can benefit from increased investments in this area.</li> </ul>

Strategies to Address Priority Needs – Table  
2015 Eugene/Springfield Consolidated Plan

Strategy	Priority Needs Addressed	Possible Examples	Measurements	Eugene/ Springfield HOME Consortium	Eugene CDBG	Springfield CDBG
Increase the supply of affordable housing (Consortium HOME and Community Development Block Grant)	Renters, Home Owners, Homeless, Special Needs	Land Acquisition. Development of new rental housing. Operating Support for Community Housing Development Organizations	Number of rental units constructed, reconstructed, acquired or preserved	600	50	
			Number of CHDO's Assisted	4		
			Housing for homeless added	20		
			Number of sites acquired		2	1
Rehabilitate existing housing stock affordable to low-income persons (Community Development Block Grant)	Renters, Homeless, Special Needs, Low-Income Areas, Home Owners	Continue and expand publicly supported rehabilitation and accessibility improvements.	Homeowner housing added		10	5
			Number of rental units rehabilitated		350	5
Provide down payment assistance for home ownership (Community Development Block Grant)	Home Owners	Assist low-income residents with the first time purchase of a home.	Number of home owner units rehabilitated		150	200
			Households assisted with direct assistance to home buyers		10	50
Remove barriers to affordable and supportive housing (Community Development Block Grant)	Renters, Home Owners, Homeless, Low Income Area Non Homeless Special Needs	Support programs that assure housing opportunities are provided without discrimination. Support Housing Policy Board. Update Fair Housing Plan.	Maintain Housing Policy board		Yes	Yes
			Number of fair housing events		20	5
			Maintain fair housing services		Yes	Yes
			Update Fair Housing Plan		Yes	Yes

Strategy	Priority Needs Addressed	Possible Examples	Measurements	Eugene/ Springfield HOME Consortium	Eugene CDBG	Springfield CDBG
Support a human services delivery system to address the needs of homeless persons and special needs populations (Community Development Block Grant)	Homeless, Special Needs	Fund capital improvements to facilities owned by non-profits. Fund non-profit services through the Human Services Commission.	Persons assisted with public facility activities		25,000	5,000
			Persons assisted with public service activities		110,000	65,000
			Number of public facilities improved		15	4
			Number of transitional or emergency beds added		20	5
Promote economic development and employment opportunities through the creation of jobs and business development (Community Development Block Grant)	Employment Opportunities	Provide below market financing to local businesses creating or retaining jobs. Provide micro-enterprise training and development opportunities.	Jobs created or retained		200	5
			Businesses assisted		50	1
			Micro business trainees		300	55
Make strategic investments to improve low income neighborhoods and other areas of slums and blight (Community Development Block Grant)	Renters, Owners, Homeless, Special Needs, Low Income Areas and Slums & Blight, Employment Opportunities	Provide financing for activities which eliminate slums and blight, including acquisition, clearance, rehab and historic preservation and economic development activities.	Businesses assisted with façade treatment or building rehab			2
			Number of projects completed		2	2
			Persons assisted with public facility activity		5,000	6,000

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# Executive Summary - Eugene

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## EXECUTIVE SUMMARY 05 - EUGENE

### **Introduction**

The Eugene-Springfield 2015 Consolidated Plan presents a strategic vision for housing and community development for the period beginning in July 2015 and ending in June 2020. The priority needs and goals outlined are based on an analysis of community needs and an extensive community outreach process.

The Cities of Eugene and Springfield must complete and adopt a Consolidated Plan every five years in order to receive Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), and other HUD grants. The purpose of CDBG and HOME is to advance the following statutory objectives principally for extremely low-income, low-income, and moderate-income residents:

- Provide decent, safe, and affordable housing (CDBG)
- Create suitable living environments (CDBG)
- Expand economic opportunities (CDBG)
- Expand the supply of decent, safe, sanitary, and affordable housing (HOME)

In addition, the Cities of Eugene and Springfield must complete a Consolidated Plan One Year Action Plan (Action Plan) for each fiscal year within the five-year period. The Action Plan describes the Cities' annual allocation process and specific uses for HOME and CDBG funds during a specified fiscal year. The first Action Plan, for fiscal year 2015-2016 is completed and submitted to HUD along with the 2015 Consolidated Plan.

### **Summary of Strategic Plan**

Based on the analysis of the needs in the community, the market conditions, and extensive public consultations, a list of priority needs was developed. For each of these needs, strategies were developed. Those needs and strategies are listed below. Further detailed information about the priority needs can be found in section STRATEGIC PLAN 25, and about the goals in STRATEGIC PLAN 45.

#### **Priority Needs**

**Renters** – *Low and very low-income people need increased access to quality affordable rental housing.*

**Home Owners** – *Low and very low-income people need increased access to affordable home ownership opportunities and support to remain homeowners.*

**Homeless** – *People need access to housing and supportive services to prevent them from becoming homeless and to leave homelessness.*

**Special Needs Populations** – *People with special needs including seniors, ex-offenders, people with HIV/AIDS, victims of domestic violence, people with drug and alcohol addictions, people who are evicted or foreclosed, people with physical and mental disabilities, veterans, youth and college students, and youth aging out of foster care.*

**Employment Opportunities** – *People who have low-incomes, are unemployed or underemployed need a broader range of employment opportunities, including self-employment.*

**Low-Income Areas & Areas of Slums and Blight** – *Geographic areas defined as an area of slum or blight or as low-income areas need additional support for rehabilitation and public facility improvements.*

### **Goals and Objectives**

**Increase the supply of affordable housing.** *Priority needs addressed with this goal: renters, home owners, homeless, special needs.*

**Rehabilitate existing housing stock affordable to low-income persons.** *Priority needs addressed with this goal: renters, home owners, homeless, special needs, low-income areas.*

**Provide down payment assistance for home ownership.** *Priority needs addressed with this goal: home owners.*

**Remove barriers to affordable and supportive housing.** *Priority needs addressed with this goal: renters, home owners, homeless, special needs, low-income areas.*

**Support a human services delivery system to address the needs of homeless persons and special needs populations.** *Priority needs addressed with this goal: homeless, special needs.*

**Promote economic development and employment opportunities through the creation of jobs and business development.** *Priority needs addressed with this goal: employment opportunities*

**Make strategic investments to improve low-income neighborhoods and other areas of slums and blight.** *Priority needs addressed with this goal: renters, home owners, homeless, special needs, low-income areas, employment opportunities.*

## **Evaluation of Past Performance**

In the 2010 Consolidated Plan, the Cities of Eugene and Springfield outlined their goals, objectives and projected outcomes for permanent affordable housing and community development for the 2010 to 2015 Plan period. At the time the 2015 Consolidated Plan was submitted, actual outcomes for the fifth year of the five-year period were unknown. The information on actual outcomes includes the estimated outcomes for the fifth year.

### ***Increase the Supply of Affordable Housing***

The City of Eugene and Springfield made strides during this period to increase the supply of permanent affordable housing by increasing the operational capacity of non-profit developers and providing financial support for the production of new affordable housing.

### ***Conserve and Improve Existing Affordable Owner and Renter Housing Stock***

Both Cities worked to conserve and improve existing affordable owner and renter housing stock over the course of this period. The number of home repairs far exceeded projected outcomes while participation in rehab programs fell somewhat short of projections.

### ***Increase Opportunities for Low- and Moderate-Income Households to Become and Remain Homeowners***

Eugene and Springfield increased opportunities for low- and moderate-income households to become and remain homeowners and renters. While the goals were not met because of reduced federal funding, both cities maintained their programs to assist first-time homebuyers.

### ***Increase Opportunities for Low- and Moderate-Income Households to Become and Remain Renters***

Due to reductions in federal funding, the targets for this goal were not met, and tenant-based rental assistance programs were not initiated.

### ***Remove Barriers to Affordable and Supportive Housing***

The Consortium met its goal to hold Fair Housing events, and referrals continued to the Fair Housing Council of Oregon. Eugene continued to contract with the Fair Housing Council of Oregon to assure housing opportunities were provided without discrimination.

### ***Support a Human Services Delivery System that Helps Low- and Moderate-income persons achieve dignity, well-being and self-sufficiency***

The Cities had a goal of assisting the human service delivery system by contributing to the Lane County Human Services Commission (HSC) and providing funding for non-profit capital improvements. Eugene and Springfield committed the 15% of CDBG funds allowed annually to the HSC. Additionally, the Cities provided funding for capital improvements to facilities owned by non-profits to increase their capacity to provide services to low income, homeless and special needs populations.

***Promote Economic Development and Diversification through the Creation of Jobs***

The Cities of Eugene and Springfield made great strides in their goal of creating jobs for low- and moderate-income households.

***Improve Accessibility to Public Facilities***

The Cities of Eugene and Springfield both made improvements to public facilities by providing curb ramps, accessible pedestrian devices and other improvements to facilities.

***Make Strategic Investments to Improve Low-income Neighborhoods and Other Areas Exhibiting Conditions of Slums and Blight***

The Cities of Eugene and Springfield supported capital improvements and eliminating conditions of slums and blight. Both cities met projected outcomes.

## Review of Outcomes - 2010 Strategic Plan

### 1. Goals, Objectives and Outcomes (Table)

HOUSING	Original Goal		Projected Actual	
	Eugene	Springfield	Eugene	Springfield
Goal #1: Expand opportunities for permanent affordable housing for low-income persons	Eugene	Springfield	Eugene	Springfield
<b>Increase the supply of affordable housing</b>				
Maintain and enhance programs that provide financial and other support for the continued production of new affordable housing	500 units	100 units	226 units	25 units
Assist CHDOs to build operational capacity and provide technical and other assistance to facilitate construction of additional housing units	Consortium: 4 Nonprofit Sponsors		Consortium: 4 Non-profit Sponsors	
Continue use of CDBG funds in Eugene: to land bank sites for future affordable housing development	2 sites purchased	n/a	0 sites purchased	n/a
Prepare and offer land bank sites for development	3 sites awarded for development	n/a	3 sites	n/a
Maintain locally-funded programs to mitigate development costs through tax exemptions and system development charge waivers	Consortium: On-going		Consortium: On-going	
<b>Conserve and improve existing affordable owner and renter housing stock</b>				
Continue and enhance rehabilitation, weatherization, home repair, and accessibility efforts. Programs to include:				
<ul style="list-style-type: none"> <li>Low- or no-interest loan (dependent upon income) program to pay costs of rehabilitation for low- and very low-income households</li> </ul>	2 owner rehabs	25 owner rehabs	2 owner rehabs	4 owner rehabs
	280 rental rehabs	25 rental rehabs	59 rental rehabs	6 rental rehabs
<ul style="list-style-type: none"> <li>Minor home repair, accessibility, and weatherization grant programs for low- and very low-income households</li> </ul>	50 home repairs	500 home repairs	152 home repairs	411 home repairs
<b>Increase opportunities for low- and moderate-income households to become and remain homeowners</b>				

Maintain and enhance programs for first time homebuyers	100 households	150 households	42 households	68 households
Specifically encourage greater minority homeownership through outreach and education of lender and realtor community regarding needs and potential of minority homeowners and existing programs to assist potential homeowners	Consortium: 3 events Consortium: 0 events			
<b>Increase opportunities for low- and moderate-income households to become and remain renters</b>				
Reduce rent burdens of extremely low and low-income tenants through rental assistance programs	Consortium: 100 households Consortium: None			
<b>Remove barriers to affordable and supportive housing</b>				
Continue to support programs that assure housing opportunities are provided without discrimination	Consortium: 4 Fair Housing events Consortium: 22 events			
Raise awareness of housing needs of low- and moderate-income persons through participation and collaboration on land use and zoning studies to ensure consideration of the needs of those income groups	Consortium: Maintain Housing Policy Board Consortium: Housing Policy Board Maintained			
	Consortium: Seek representation of affordable housing in policy discussions Consortium: Completed			

**COMMUNITY DEVELOPMENT**

	Original Goal	Projected Actual
Expand access to public services, economic opportunities, and suitable living environments	Eugene Springfield	Eugene Springfield
<b>Support a human services delivery system that helps low- and moderate-income persons achieve dignity, well-being, and self-sufficiency</b>		
Collaborate to fund public services through the Human Services Commission	15% of entitlement	15% awarded
Provide funding for capital improvements to facilities owned by non-profits including acquisition, rehabilitation, weatherization, and accessibility improvements.	15 facilities	5 facilities
<b>Promote economic development and diversification through the creation of jobs</b>		
Provide below-market financing to local businesses creating or retaining jobs available to low-and moderate-income persons	50 loans 200 jobs created	5 jobs 240 jobs created
Provide below-market financing through Eugene's Emerging Business Loan Pool	25% of loan	26% of loan
	n/a	n/a

	volume	volume
program to local businesses creating or retaining jobs available to low-and moderate-income persons		
Fund micro-enterprise development	300 trainees	410 trainees 16 trainees
<b>Improve accessibility to public facilities</b>		
Remove architectural barriers from City-owned buildings and publically-maintained infrastructure	12 facility improvements	0 facility improvements
	4 public improvements	0 public improvements
	n/a	92 curb ramps n/a
	n/a	24 accessible pedestrian devices n/a
<b>Make strategic investments to improve low-income neighborhoods and other areas exhibiting conditions of slums and blight</b>		
Fund capital improvements in eligible areas such as infrastructure, street and sidewalk improvements, and parkland acquisition and improvements	3 projects	2 projects 4 projects
Provide financing for the elimination of slums and blight, including acquisition, clearance, rehabilitation, and historic preservation activities	1 project	1 project 2 projects

## **Summary of Citizen Participation Process and Consultation Process**

Citizen participation was received through several means including public meetings, public hearings, community surveys, and a written comment period. A total of 92 responses were received to the community survey, and 44 responses to the provider survey. Sixteen individual consultations with service providers and advocates were held, as well as attendance at regional coalitions which serve or advocate on behalf of people affected by this plan. Section Process 15 includes a full explanation of the Citizen Participation Plan. A concerted effort was made to broaden public participation in the development of the plan, through increased consultations and presentations at advisory and policy groups.

## **Summary of Public Comments**

Written comments were received suggesting that an additional priority need population be added; people who are under-housed and sharing accommodations or “couch-surfing” are a population that may be overlooked and underreported due to the definition of “homeless”. After being added as a priority need, the under-housed should be addressed in the strategic plan. An additional comment was received requesting that the non-homeless special need population of the underemployed/unemployed be explicitly called out in the strategic plan.

The public expressed appreciation for the overall direction of the plan, particularly the priority needs and strategies. There is need for better employment and transportation to employment. A few members of the public cited that there is too much focus on homelessness, however more expressed the need for a housing-first model or exploration of micro-housing. Others noted the need for more services for homeless people and issues surrounding criminalization of homelessness. The need for low cost single room occupancy was mentioned.

## **Summary of Comments or Views Not Accepted**

There were no comments or views that were not accepted.

# The Process

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## PROCESS 05 LEAD AND RESPONSIBLE AGENCIES - EUGENE

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

### 2. Responsible Agencies (Table)

Agency Role	Name	Department/Agency
Lead Agency	Eugene	Community Development Division
CDBG Administrator	Stephanie Jennings	
HOME Administrator	Stephanie Jennings	

### Consolidated Plan Public Contact Information

For questions about the Consolidated Plan contact:

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## PROCESS 10 CONSULTATION – EUGENE AND CONSORTIUM

### **Introduction - Eugene**

The City of Eugene developed a multi-faceted approach to consult with the service providers, grant recipients, people served and the broad community.

### **Summary Activities to Enhance Coordination with Public and Assisted Housing Providers - Eugene**

The City of Eugene has held numerous in-person consultations with traditional partners, such as the Public Housing Authority, non-profit housing providers, and social service providers. The Intergovernmental Housing Policy Board also serves as a forum for discussion of housing issues with affordable housing providers, advocates and other community members. The City also gathered information from several recently completed reports conducted by the Livability Lane Consortium, an effort funded through the HUD Office of Sustainable Housing and Communities. Online surveys were created and administered for three different sectors: direct service providers, indirect providers, and general community. Staff also met with a statewide group which will help coordinate the consolidated plans from the Oregon Department of Housing and Community Services and the jurisdictions within Oregon.

### **Describe Coordination with the Continuum of Care - Consortium**

Consultations were held and input received from the partners in the Continuum of Care that are summarized below.

#### ***Lane County***

Lane County is the lead agency for the Continuum of Care (CoC). Several meetings were held to coordinate the Plan with the CoC regarding housing services and services for homeless persons. Additionally, Lane County staff provided information used in the Homeless Strategy, and assisted in review.

#### ***Poverty and Homelessness Board***

The Poverty and Homelessness Board (PHB) was created to meet both the requirements of the HUD Continuum of Care Board and the Community Action Agency. Membership of the PHB includes elected officials from Eugene, Springfield and Lane County, as well as other public and private stakeholders. A consultation was held with the Board to understand the needs and priorities of the community, and a second consultation was held to review the proposed strategic plan.

### **HACSA**

Housing and Community Services Agency of Lane County (HACSA) is the Public Housing Authority for Lane County, is actively engaged in the CoC, and administers a Shelter Plus Care project. A consultation was held with HACSA to ascertain the needs and priorities of the community. Staff provided information for the Plan, and assisted in review.

### **CHDOs**

Individual consultations were held with three Community Housing Development Organizations (CHDOs), to ascertain needs and priorities of the community. These organizations include St. Vincent de Paul Society of Lane County (SVDP), Cornerstone Community Housing, and Neighborhood Economic Development Corporation (NEDCO).

### **Non-Profit Providers**

Individual consultations were held with many of the large non-profit organizations that are part of the CoC to ascertain needs and priorities of the community.

### **Consultations with Agencies that May Release People to Homelessness**

A consultation was held with the Public Safety Coordinating Council, a regional public safety planning body. Representatives from the local jail, state prisons, parole and probation, and prison reentry agencies provided input about the needs of the community, including those who may be released to homelessness. A subsequent consultation was held with the prison-reentry program which provided information about the number of people released from state prisons to Lane County, of whom approximately two-thirds do not have appropriate housing upon release. Information was gathered from the foster care system through a provider survey.

### **Consultation with the Continuum of Care for distribution of ESG Funds – Consortium**

The Consortium does not receive ESG funds.

### **Agency Consultations**

Sixteen individual consultations were held with members of public and non-profit organizations. Additionally, a provider survey was conducted. Input from these meetings and survey information assisted with the identification of community needs, market conditions and the resulting strategic plan.

#### ***Cornerstone Community Housing***

##### **Agency Type**

Housing

##### **Plan Section Addressed**

Housing Need Assessment

Homelessness Needs – Chronically homeless

Homelessness Needs – Families with children

Homelessness Needs – Veterans

Homelessness Needs – Unaccompanied Yth  
 Homelessness Strategy  
 Non-Homeless Special Needs  
 Market Analysis  
 Economic Development  
 Anti-poverty Strategy

Description

An individual consultation was held with the Executive Director of Cornerstone and top leadership. Cornerstone is one of the major providers of low-income housing in this community. Their suggestions about assuring an adequate pipeline of housing projects were considered in the development of the priority needs and strategies.

***NEDCO - Neighborhood Economic Development Corporation***

Agency Type

Housing  
 Neighborhood Organization

Plan Section Addressed

Housing Need Assessment  
 Homelessness Needs – Unaccompanied Yth  
 Non-Homeless Special Needs  
 Market Analysis  
 Economic Development

Description

An individual consultation was held with the Executive Director and key staff. NEDCO is one of the major providers of low-income housing in this community. Their suggestions about assuring an adequate pipeline of housing projects were considered in the development of the priority needs and strategies.

***HACSA - Housing and Community Services Agency of Lane County***

Agency Type

Housing  
 PHA

Plan Section Addressed

Housing Need Assessment  
 Public Housing Needs  
 Homelessness Needs – Chronically homeless  
 Homelessness Needs – Families with children  
 Homelessness Needs – Veterans  
 Non-Homeless Special Needs  
 Market Analysis

Description

An individual consultation was held with the Section 8 Director, and the Real Estate Development Director. HACSA is the public housing authority and one of the major providers of low-income housing in this community. The consultation resulted in increased coordination between the HUD required Section 8 Plan and the Consolidated Plan. Their comments about the housing needs and gaps were considered in the development of the priority needs and strategies.

***St. Vincent de Paul***

Agency Type

Housing  
 Services – Children  
 Services – Homeless  
 Services – Employment  
 Housing

Plan Section Addressed

Housing Need Assessment  
 Homelessness Needs – Chronically homeless  
 Homelessness Needs – Families with children  
 Homelessness Needs – Veterans  
 Homelessness Needs – Unaccompanied Yth

Homelessness Strategy  
Non-Homeless Special Needs

Description

An individual consultation was held with the executive director and key staff. St. Vincent de Paul is one of the major providers of low-income housing in this community. As a result of the consultation, city staff better understand the housing production needs and challenges, which were considered in the development of the priority needs and strategies.

***Sponsors, Inc.***

Agency Type

Housing  
Services – Homeless  
Services – Employment  
Publicly Funded Institution/System of Care  
Other – Prison Reentry

Plan Section Addressed

Housing Need Assessment  
Homelessness Needs – Chronically homeless  
Homelessness Needs – Families with children  
Non-Homeless Special Needs  
Market Analysis

Description

An individual consultation was held with the Executive Director. Sponsors provides housing, employment and counseling services for people recently returning to the community from incarceration. Their input related to the needs of this special population and of their facility infrastructure needs was considered in the development of the priority needs and strategies.

***ShelterCare***

Agency Type

Services – Homeless  
Services – Housing

Plan Section Addressed

Housing Need Assessment  
Public Housing Needs  
Homelessness Needs – Chronically homeless  
Homelessness Needs – Families with children  
Homelessness Needs – Veterans  
Homelessness Needs – Unaccompanied Yth  
Homelessness Strategy  
Non-Homeless Special Needs

Description

This consultation included meeting with the Executive Director and key staff. The consultation will result in better understanding in the service delivery for this key provider in the Continuum of Care.

***Intergovernmental Housing Policy Board***

Agency Type

Housing  
Regional organization  
Planning Organization

Plan Section Addressed

Housing Need Assessment  
Public Housing Needs  
Homelessness Needs – Chronically homeless  
Homelessness Needs – Families with children  
Homelessness Needs – Veterans  
Non-Homeless Special Needs  
Market Analysis  
Economic Development  
Lead-based Paint Strategy  
Homelessness Needs – Unaccompanied Yth

Homelessness Strategy  
Anti-poverty Strategy

Description

The Housing Policy Board, as the intergovernmental body charged with reviewing housing policy and making recommendations, was instrumental in the public review and development of the consolidated plan. The Board received monthly updates about the progress and product, and ultimately approved the plan. With public, non-profit and private representatives in Eugene and Springfield, information to and from the HPB was critical for this community plan.

***Lane Workforce Partnership***

Agency Type

Services – Employment  
Regional organization  
Business Leaders

Plan Section Addressed

Housing Need Assessment  
Non-Homeless Special Needs  
Market Analysis  
Economic Development

Description

Through written correspondence, the organization was asked to provide input on specific areas of interest related to workforce development and training. The Plan is being developed including the insights and expertise of the local workforce organization.

***Lane County Poverty and Homelessness Board – Continuum of Care***

Agency Type

Services – Homeless  
Regional organization  
Business and Civic Leaders  
Publicly Funded Institution/System of Care  
Other government – Local

Plan Section Addressed

Anti-poverty Strategy  
Housing Need Assessment  
Market Analysis  
Homelessness Needs – Chronically homeless  
Homelessness Needs – Families with children  
Homelessness Needs – Veterans  
Homelessness Needs – Unaccompanied Yth  
Homelessness Strategy  
Non-Homeless Special Needs

Description

The Board’s input on the needs of the homeless and people in poverty was considered in the needs assessment and priority needs and strategies. Coordination and communication with this entity is helpful because they serve as Continuum of Care Board and the Community Action Agency.

***United Way Financial Stability Partnership***

Agency Type

Business and Civic Leaders  
Regional organization  
Planning Organization  
Services – Homeless  
Services – Health  
Services – Education  
Services – Employment

Plan Section Addressed

Housing Need Assessment  
Homelessness Needs – Chronically homeless  
Homelessness Needs – Families with children  
Homelessness Needs – Veterans  
Homelessness Needs – Unaccompanied Yth  
Non-Homeless Special Needs  
Economic Development

Description

A consultation was held with this community partnership of public, private and non-profit organizations. Input was solicited regarding priority needs and goals.

### **University of Oregon**

Agency Type

Other government – State  
Services – Education  
Major Employer

Plan Section Addressed

Housing Need Assessment  
Non-Homeless Special Needs

Description

This consultation included meeting with staff from the offices of intergovernmental affairs, financial aid, and non-traditional students. The consultation resulted in a greater understanding of the housing and service needs of low-income college students.

### **Lane Integration Network**

Agency Type

Regional organization  
Others – Minorities, Non-English speaking

Plan Section Addressed

Housing Need Assessment  
Non-Homeless Special Needs  
Market Analysis

Description

An individual consultation was held with the convener of the Lane Integration Network, and with the membership of the Network. This organization coordinates services and advocates for immigrants in Lane County, particularly the Latino Community. The Network's input regarding wage equality and fair housing were considered in the development of the priority needs and strategies.

### **Public Safety Coordinating Council**

Agency Type

Other government – State  
Other government – County  
Regional organization  
Planning Organization

Plan Section Addressed

Housing Need Assessment  
Homelessness Needs – Chronically homeless  
Homelessness Needs – Families with children  
Non-Homeless Special Needs  
Homelessness Needs – Veterans

Description

This consultation included meeting with a regional coalition of public safety organizations from city, county and state government as well as non-profit organizations. Information was gained from throughout the criminal justice system that is related to this population, such as observations about the trends in eviction court.

### **Agency Types not Consulted**

Information and feedback was sought from all agency types that are associated with this Plan. In some instances, no feedback was received.

### **Coordination with Other Plans**

The following plans were consulted or supported the work of the 2015 Consolidated Plan.

#### *Assessment of Equity and Opportunity for Affordable Housing Residents*

Lane Livability Consortium

In 2013, the Lane Livability Consortium initiated an assessment of low-income residents of subsidized and affordable rental housing developments within Eugene and Springfield. With twelve focus groups including a Spanish-speaking group, the survey and information in this report was utilized to better understand the needs and priorities of affordable housing residents.

### ***Continuum of Care***

Lane County

Staff from the Continuum of Care were consulted throughout the process and assisted in development and review of this plan. This Plan supports the goals of the Continuum of Care.

### ***Equity and Opportunity Assessment***

Lane Livability Consortium

The Equity and Opportunity Assessment of the Lane Livability Consortium identified and analyzed issues of equity, access and opportunity and considered how those findings can inform agency plans, policies and major investments. This report, completed in July 2014 is the source of numerous supplemental data for this Plan.

### ***Envision Eugene***

City of Eugene

Envision Eugene provides the vision that will guide development of a Eugene Comprehensive Plan and implementing ordinances. The plan will guide implementation of the city's land use policy over the next 20 years, and identifies the City of Eugene's affordable housing goals. Envision Eugene provided data and policy guidance for this Plan.

### ***Latino Public Participation and Community Indicators Project***

Lane Livability Consortium

Completed in 2012, this report was designed to engage the growing Latino community in a participatory research project that would identify and develop recommendations for bottom-up social equity indicators that are important for the growing Latino community and to recommend strategies of public participation that might be most effective. With the ethnographic approach, the findings of this report were considered when establishing the outreach efforts for the Latino community.

### ***Priorities for the Human Services Fund***

Lane County

This Plan outlines the priorities for the Human Services Fund and of the Human Services Commission, based on a needs assessment conducted by Lane County. This report was consulted to identify the regional priorities for Human Services Commission.

## ***HACSA Strategic Plan 2011-2015***

Housing and Community Services Agency of Lane County

This strategic plan outlines the goals, strategies and actions of the public housing authority. This report was consulted to provide additional information about needs and priorities of the organization.

### **Coordination with State**

A meeting was held with Oregon Housing and Community Services to discuss efforts to increase the coordination and collaboration between the State and local governments in the development and implementation of Consolidated Plans. The City of Eugene will continue participation in this state-wide work.

### **Coordination with Private Industry, Developers, and Social Service Agencies**

Individual consultations were conducted with affordable housing developers and the social service agencies. The input received during these consultations informed the development of priority needs and recommended strategies. For example, through consultations with developers, it was determined that there remains insufficient access to affordable housing, even for people with existing housing vouchers. Likewise, developers have a difficult time finding developable land for affordable housing.

### **Process Additional Narrative – Eugene**

The Eugene-Springfield staff team that coordinated the development of the 2015 Consolidated Plan used the Citizen Participation Plan as a guide for consultations. Consultations were conducted with public and non-profit organizations. There were also several public advisory committees that were consulted. Input received from the consultations informed the Needs Assessment, Market Analysis, and Strategic Plan.

## PROCESS 15 CITIZEN PARTICIPATION - EUGENE

### **Summary of Citizen Participation Process for 2015 Consolidated Plan**

The Eugene-Springfield staff team that coordinated the development of the 2015 Consolidated Plan used the Citizen Participation Plan as a guide for citizen participation, listed below.

Written comments were received suggesting that an additional priority need population be added; people who are under-housed and sharing accommodations or “couch-surfing” are a population that may be overlooked and underreported due to the definition of “homeless”. After being added as a priority need, the under-housed should be addressed in the strategic plan. An additional comment was received requesting that the non-homeless special need population of the underemployed/unemployed be explicitly called out in the strategic plan.

A community survey was released online, and promoted through the cities’ web-based resources. The survey asked respondents to describe the reason(s) why affordable housing was difficult to find. The majority of respondents said that cost and the lack of housing were the main barriers. Additional reasons listed include: lower incomes and inability to afford housing; location, neighborhood quality and safety; high deposits; and wait lists for affordable housing.

Many of the open-ended responses in the community survey when respondents were asked if there was “anything else they you’d like to share” were focused around affordable housing and issues surrounding homelessness. Respondents noted problems with the cost of housing including rent, but also but security and deposits. A few cited that there is too much focus on homelessness, the need for housing and services for the homeless, and the criminalization of homelessness. Also identified was the need for low cost single room occupancy (SRO), and life skills training. Jobs were noted as an area that residents need in the community as well as transportation to those jobs. Other issues include helping owners with sidewalk repair, need for street repair and sidewalk construction, recognizing populations with disabilities, and housing not accepting pets.

### **Citizen Participation Plan**

The Cities of Eugene and Springfield encourage active participation in preparation of the Consolidated Plan by all residents who are affected by Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds. The Citizen Participation Plan outlines local responsibilities to provide opportunities for resident involvement. For the Consolidated Plan, a written public comment was initiated on February 23, 2015 and completed on March 25, 2015. A public hearing was held on March 10, 2015. Additional public hearings were held on April 6, 2015 for the proposed allocation of Consortium HOME funding, and April 7 for proposed use of CDBG funds in Eugene, and April 2 for the proposed use of CDBG funds in

Springfield. Policies and procedures outlined below were followed in the preparation of the Consolidated Plan and Action Plan and will continue to be used throughout the Plan period.

### ***Encouraging Citizen Participation***

Resident involvement is a critical component of the 2015 Consolidated Plan, the One Year Action Plan (Action Plan) and Consolidated Annual Performance and Evaluation Report (CAPER). The planning processes for these activities are designed to stimulate interaction between community residents, agency staff, advisory committee members, and elected officials regarding housing, homelessness, and community development issues. The process for development of the Consolidated Plan included both small- and large-scale public involvement activities to inform the identification of needs and objectives for use of CDBG and HOME funds. The process for development of annual Action Plans and CAPERs during the Consolidated Plan period will also include multiple opportunities for discussion in public forums and resident comments.

The Cities have and will encourage participation by low- and moderate-income persons throughout the community. Emphasis will be placed on reaching out to minority populations, non-English speaking persons, and persons with disabilities in the preparation of the Plan. The Cities will also notify and seek the participation of local and regional institutions, the Continuum of Care, and other organizations, including businesses, developers, community and faith-based organizations in the development and implementation of the Plan.

The Cities have and will continue to encourage tenants of assisted housing developments and of the metropolitan area public housing authority, the Housing and Community Services Agency of Lane County (HACSA), to participate in the development and implementation of the Plan. The Cities will provide timely information on all aspects of the planning process to HACSA so that agency staff can make the information available at the annual public hearing required for the PHA Plan.

### ***Access to Information and Records***

The Cities make vital information that pertains to this Plan available to citizens, public agencies and other interested parties on an annual basis. The information to be made available includes: the amount of assistance the Cities expect to receive (including grant funds and program income); and the range of activities that may be undertaken, including the estimated amount that will be expended on low- and moderate-income persons.

The Consolidated Plan, Action Plan, CAPER, and amendments to these documents are available for review during business hours, on an on-going basis, at the City of Eugene Planning and Development Department, 99 West 10th Avenue, Eugene, Oregon and at the City of Springfield Development and Public Works Department located in Springfield City Hall, 225 Fifth Street, Springfield, Oregon. All documents are also available on the City of Eugene website at

<http://www.eugene-or.gov/hudconplan> and the City of Springfield website at <http://www.springfield-or.gov/dpw/HousingandBlockGrants.htm>.

### ***Anti-Displacement and Relocation Plan***

The City of Eugene and the Eugene-Springfield HOME Consortium have a Residential Displacement and Relocation Assistance Policy that complies with federal regulations. The policy applies to displacement of residents caused by activities directly funded by the CDBG and HOME programs and outlines steps to be taken by both jurisdictions to minimize displacement. A copy of the policy can be found on the City of Eugene website, at <http://www.eugene-or.gov/hudconplan> and the City of Springfield website at <http://www.springfield-or.gov/dpw/HousingandBlockGrants.htm>.

### ***Notice of Draft Plan Availability***

Notice of a 30-day review and comment period on a summary of the draft Consolidated Plan was published in the Register Guard. The summary described the contents and purpose of the Consolidated Plan and included the locations where copies of the entire proposed Consolidated Plan could be examined. Notice was also distributed to an interested parties list and posted on the Cities' websites along with information detailing the comment time period and comment submittal requirements. Hard copies were made available for review at the City of Eugene Planning and Development Department and Springfield Development and Public Works Department.

Drafts of Action Plans will similarly be made available for review for a 30-day comment period following the same notice and access to information procedures for the Consolidated Plan.

### ***Citizen Response Time Frame***

The Cities of Eugene and Springfield provide interested parties with a reasonable opportunity to comment on the Consolidated Plan and Action Plan as defined by this Citizen Participation Plan. The Cities will consider any comments or views of interested parties received in writing or orally, at any of the public hearings, or during the specified public comment review period, and will address those comments in the preparation of the final documents. The Cities will include a summary of any written or oral comments in the final Consolidated Plan and Action Plan submitted to HUD.

### ***Public Hearings***

For the development of the Consolidated Plan, one public hearing in addition to multiple public meetings is held over the course of the program year to obtain citizen views and to respond to proposals and questions. The hearing addresses housing and community development needs, development of proposed activities, and review of program performance. The Public Hearing is held prior to the proposed Consolidated Plan publication.

Each spring, the Cities of Eugene and Springfield allocate HOME and CDBG funds for the next fiscal year through development and submission of the Eugene-Springfield Action Plan. The public hearing for use of Consortium HOME funds is held by the Intergovernmental Housing Policy Board. The public hearing for use of Eugene CDBG funds is held by the Eugene CDBG Advisory Committee. The public hearing for use of Springfield CDBG funds is held by the Springfield Community Development Advisory Committee.

Each year, Eugene and Springfield will issue a joint request for proposal (RFP) for use of HOME funds. A public hearing will be held as a part of this process by the Consortium governing body.

### ***Access to Meetings***

Meetings are announced through mailings to interested parties, through postings on City websites, and in the Register Guard. All public hearings are advertised in the legal section of the Register Guard at least 14 days prior to the hearing with sufficient information published about the subject of the hearing to permit informed comment. Public meetings are held at times convenient to potential and actual beneficiaries in locations that meet Americans with Disabilities Act accessibility standards. With 48 hours' notice prior to any public meeting, the Cities can provide the following services: an interpreter and audio equipment for the hearing impaired; a reader to review printed materials with the sight impaired; and a foreign language interpreter for non-English speaking residents. Arrangements for these services can be made by contacting the City of Eugene or the City of Springfield City Manager's Office.

### ***Substantial Plan Amendments***

Citizens will be notified and will have the opportunity to review all substantial amendments to the Consolidated Plan or the Action Plan. A notice of a 30-day review and comment period on a substantial amendment to the Plan will be published in the Register Guard. Depending on the program area, the draft amendment will be available for viewing at the City of Eugene Planning and Development Department, 99 W 10th Avenue, Eugene, Oregon and/or the City of Springfield Development and Public Works Department, Springfield City Hall, 225 Fifth Street, Springfield, Oregon. The appropriate citizen advisory committee, depending on the program area, will conduct a public hearing on the proposed action, will consider any comments or views of citizens received in writing or orally at the public hearing, and will make a recommendation to the applicable City Council. The City Council will take final action on the proposed amendment. A summary of any comments or views and a summary of any comments or views not accepted and the reasons thereof will be attached to the substantial amendment.

Substantial changes to the Consolidated Plan are defined as:

- Changes in allocation priorities or in the method of distribution of the funds;
- Changes in the use of CDBG or HOME funds from one eligible activity to another;
- Changes in the purpose, location, scope, or beneficiaries of an activity; or

- Carrying out an activity, using funds from any program covered by the Consolidated Plan (including program income), not previously described in the Action Plan.

### ***Performance Report***

The Cities of Eugene and Springfield will provide interested parties with a reasonable opportunity to comment on the annual CAPER which describes performance related to Consolidated Plan activities. The CAPER will be available for review and comment for 15 days prior to submission to HUD. Notice of performance report availability will be provided in the legal section of the Register Guard. All written and oral comments received during the 15-day comment period will be considered in preparing the final performance report, which will include a summary of comments.

### ***Technical Assistance***

Technical assistance is provided by City staff for each particular program area. In addition, Lane County Health and Human Services staff work with local service providers who receive funding through the Human Services Commission.

In Springfield, the Development and Public Works Department provides assistance on an on-going basis relating to housing and public facilities, including housing rehabilitation and down payment assistance programs and working with residents to identify capital improvement needs.

In Eugene, the Planning and Development Department provides assistance relating to the CDBG business development and housing rehabilitation loan programs, as well as affordable housing projects on an on-going basis. The City's Community Development staff provide support with non-profit capital projects with human service providers.

### ***Response to Written Complaints/Grievances***

The Cities will provide timely and substantive written responses to written complaints from residents regarding Consolidated Plan, amendments, and CAPER. Written responses to written complaints will be provided within 15 business days, where practical.

## **Citizen Participation Outreach Activities**

The following Citizen Participation Outreach Activities were undertaken as a part of the development of the 2015 Consolidated Plan.

### ***Citizen Comment Period***

#### Target of Outreach

Non targeted/broad community

#### Summary

One person provided response to the public comment period. The comments related to adding under-housed persons to the list of priority needs, and explicitly adding under-housed and unemployed/underemployed to the strategic plan. All comments were accepted and considered in the development of the Consolidated Plan. The Plan

Consolidated Plan - Process Section

summary was initially published on February 24, in advance of the written comment period. Information about the final plan publication and any comments received will be identified upon final publication.

### ***Provider Survey***

#### Target of Outreach

Minorities  
Non-English Speaking : *Spanish*  
Persons with Disabilities  
Non targeted/broad community  
Residents of Public and Assisted Housing

#### Summary

Surveys were sent to sixty-seven agency representatives, and responses were received from 44 people. The respondents noted the lack of affordable housing units or available land to build housing. Most indicated increases in their waiting lists. Many noted that mental health and substance abuse was an underlying problem of the clients they served. The largest impediment to maintaining housing was the lack of steady income. All comments were accepted and considered in the development of the Consolidated Plan.

### ***Community Survey***

#### Target of Outreach

Non targeted/broad community  
Minorities  
Non-English Speaking : Spanish

#### Summary

Ninety-two people responded to the Community Survey, which was posted online and promoted through websites and social media. 75% of the respondents or their acquaintances had difficulty finding affordable housing. Sixty-four people identified the need for additional affordable rental housing as one of their top three concerns. The comments identified affordable housing as a great need, along with services and housing for the homeless. All comments were accepted and considered in the development of the Consolidated Plan.

### ***Public Hearing***

#### Target of Outreach

Non targeted/broad community

#### Summary

Two people provided comments at the meeting where the public hearing was held. The comments included suggestions to add owner-occupied housing to the list of priorities for assistance, and support for services and transitional housing for the homeless, particularly the chronically homeless. All comments were accepted and considered in the development of the Consolidated Plan.

### ***Publication of Plan Summary***

#### Target of Outreach

Minorities  
Non-English Speaking : *Spanish*  
Persons with Disabilities  
Non targeted/broad community  
Residents of Public and Assisted Housing

#### Summary

The Plan summary was initially published on February 24, in advance of the written comment period. Information about the final plan publication and any comments received will be identified upon final publication.

### ***Public Meetings***

#### Mode of Outreach

Public Meeting  
Newspaper Ad  
Internet Outreach

#### Target of Outreach

Non targeted/broad community

#### Summary

Six public meetings were held by advisory bodies during the development, refinement and adoption of the Consolidated Plan. Three meetings were held by the Intergovernmental Housing Policy Board, and three meetings including a public hearing were held by the Consolidated Plan Advisory Committee. This committee was constituted in 2015 and included members from the Housing Policy Board, Eugene CDBG Advisory and Springfield Community Development Advisory Committee. Each of these public meetings included opportunity for public comments. Comments received related to including the need for affordable owner-occupied, and the need for transitional housing and services for the homeless population. All comments were accepted and considered in the development of the Consolidated Plan.

### ***City Council Meetings***

#### Mode of Outreach

Public Meeting  
Newspaper Ad  
Internet Outreach

#### Target of Outreach

Minorities  
Non-English Speaking : *Spanish*  
Persons with Disabilities  
Non targeted/broad community  
Residents of Public and Assisted Housing

#### Summary

Three meetings were held by the Eugene City Council, and two meetings by the Springfield City Council. The Eugene meetings were televised. There were no public comments received.

# Needs Assessment – Eugene & Consortium

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## NEEDS ASSESSMENT 05 OVERVIEW – EUGENE

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### **Needs Assessment Overview**

The Needs Assessment examines population demographics, housing conditions, and income stability in order to assess conditions and needs in the community related to affordable housing, special needs housing, community development, and homelessness. Information collected through public participation, community consultations, along with direct and indirect provider consultations was along used with quantitative data in these sections to identify needs in the community for prioritization within this plan.

In some areas, information provided by HUD in the template was supplemented with data from the U.S. Census Bureau, the U.S Department of Housing and Urban Development (HUD), and recently completed area reports, including work by the Lane Livability Consortium (LLC), funded through a HUD Sustainable Communities Regional Planning Grant. Each alternate data source is cited.

Housing Needs Assessment Low-income renters have need for access to affordable and appropriate rental housing. There is a need to maintain and increase the supply of affordable owner-occupied housing for low and very low-income residents.

Disproportionately Greater Need Some racial and ethnic populations have disproportionately greater housing problems, including Asian, African American, and American Indian, and Latino populations. When looking at housing cost burdens, Asian and Latino households are disproportionately affected.

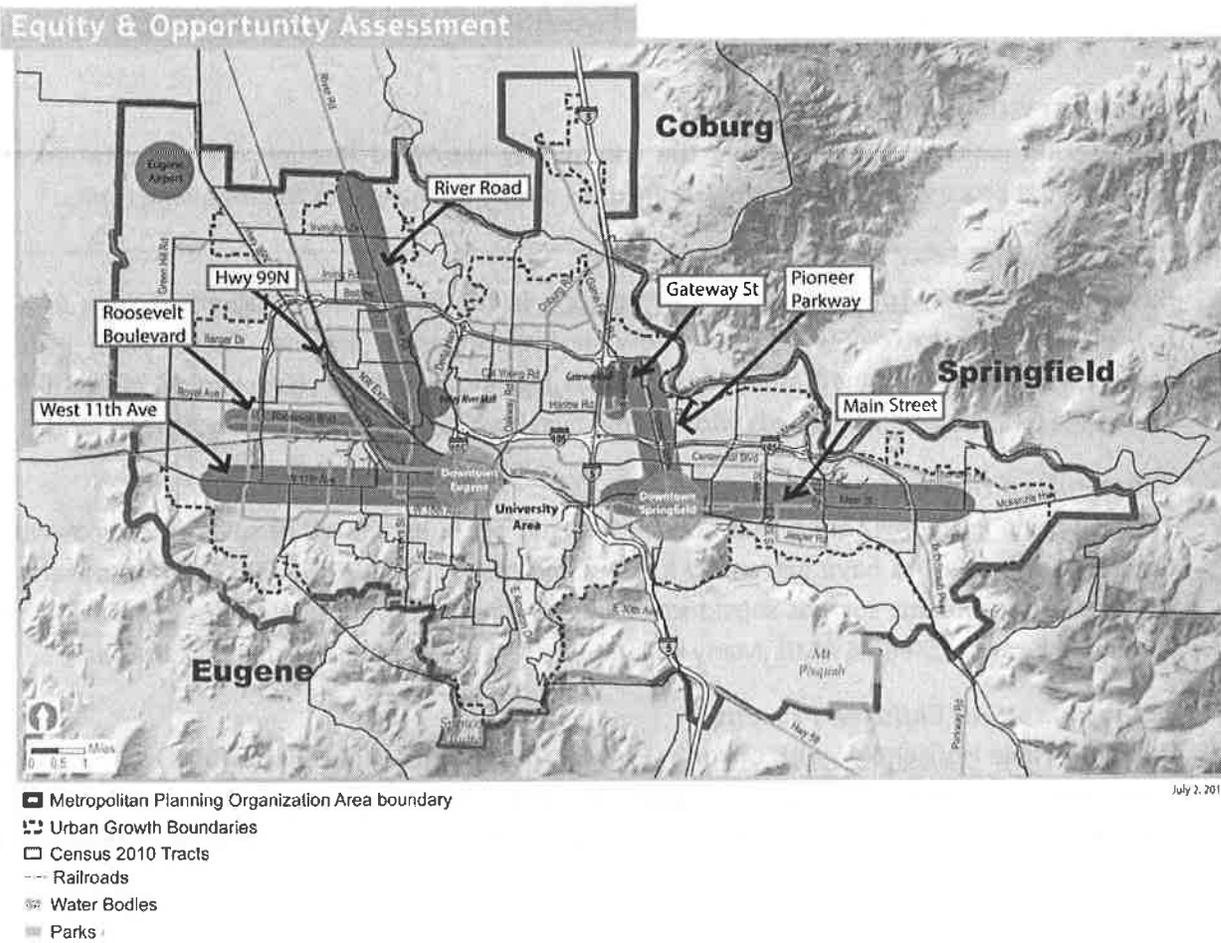
Public Housing There are a total of 705 public housing units in Lane County. With over 2,100 people on the waiting list, the most critical need of residents is access to affordable housing.

Homeless Needs Assessment The Eugene and Springfield area have a continuing challenge with homelessness. Inadequate affordable housing stock coupled with low wages and unemployment rates have hindered progress to address this need.

Non-Homeless Special Needs Assessment There are several special needs populations in the area that have unique housing needs. Included in this group are youth, youth aging out of foster care, college age students, ex-offenders, victims of domestic abuse, people with



4. Eugene and Springfield Common Areas of Reference (Map)



Source: Equity and Opportunity Assessment

## NEEDS ASSESSMENT 10 HOUSING NEEDS ASSESSMENT – CONSORTIUM

### **Summary of Housing Needs**

This section looks at housing within the community identified through the consultation and participation process and data review. It includes data and analysis of the following topics:

#### ***Total Households***

Based on the Table, Total Households by Percent, in the Eugene and Springfield area, 44% of households have extremely low, very low or low-moderate income. These three income categories can be combined and referred to as low-income. More households with children under age 6 (55%) and households with people over age 75 (54%) have low-incomes.

#### ***Substandard Housing***

Table Housing Problems shows that households that are substandard or severely overcrowded tend to be rentals and have extremely low-income residents (0-30% AMI). Owner households with housing problems such as substandard quality or being overcrowded are generally in the low-income range (50-80% AMI). Many households also experience housing cost burdens.

#### ***Households with Children Present***

Based on Table Households with Children Present, more renter households (39%) with children have lower incomes than owner households (8%) with children. About 70% of renter households with children are low-income, compared to 18% of owner households with children.

#### ***Housing Problems***

Table Housing Problems Percentages 2 looks at severe housing problems in renter or owner households with incomes less than 100% AMI. Within the City of Eugene, 25% of all households and in Springfield 19% of all households have one or more severe housing problems.<sup>1</sup> Renter households make up a large percentage of households with a severe cost burden, at 87%.

#### ***Housing Cost Burden***

The table Percentage of Households with Housing Problems shows that in Eugene, 43% of households and in Springfield, 41% of households have a housing cost burden. In Eugene, 17% of renter households, and in Springfield, 11% of renters spend more than 50% of income on housing costs. The cost burden for renter households is significantly higher than owner occupied households. Households with severe housing cost burdens tend to be lower income.

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<sup>1</sup> Data: HUD CHAS 2007-11

Small households composed of elderly persons and renters tend to have the greatest housing cost burdens.

***Crowding by Income and Tenure***

Crowding by Income and Tenure indicates that renter households make up a majority of crowded households. Single family renter and owner households have higher rates of overcrowding, with the highest being in single family renter households with extremely low-incomes.

***Households by Income Level***

Low-income households make up 43% of households in Eugene and 47% of all households in Springfield. About 30% of all households are low-income renters in both cities. Over half of the households with people over age 75 (54%), and those with children under age 6 (55%) have low incomes.

**Demographics – Consortium**

**5. Housing Needs Assessment Demographics (Table)**

	Base Year: 2000	Most Recent Year: 2011/2013	% Change
Population	190,757	219,570	15
Households	82,944	95,027	15
Median Income	\$0.00	\$0.00	

Data Sources: 2000 Census, 2013 Certified Population estimates  
Census ACS 2011-13, 3-Year Estimates

**6. Median Household Income (Table)**

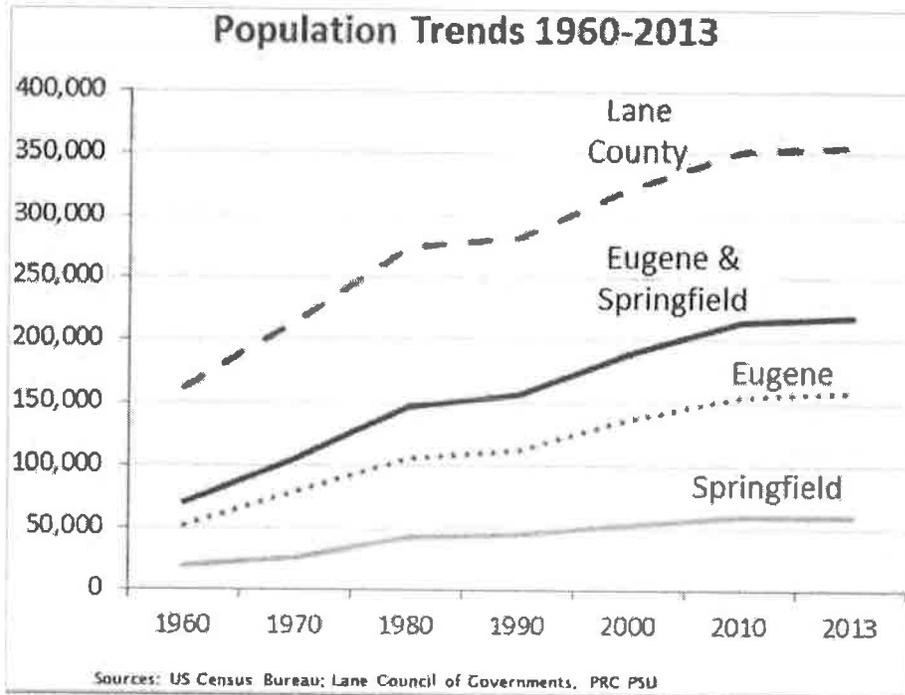
Median Household income	2000	2011-13
Springfield	\$ 33,031	\$ 39,598
Eugene	\$ 35,850	\$ 40,628
Lane County	\$ 36,942	\$ 41,936
Oregon	\$ 40,916	\$ 49,519
US	\$ 41,994	\$ 52,176

Data Source: Census ACS 2011-13, 3-Year Estimates

## Population

The cities of Eugene and Springfield are centrally located in Lane County. In 2013, the two cities combined had 219,570 residents, and has grown 15% since 2000.<sup>2</sup> As the second largest city in Oregon, Eugene experienced a 16% increase in population since 2000 with 159,580 residents in 2013. Springfield is the ninth largest city in the state with 59,990 residents and experienced a 14% increase in population since 2000.<sup>3</sup> Lane County, a largely rural region, has a total population of 356,125. It is estimated that Eugene and Springfield urban growth areas will grow by 24% by 2035.<sup>4</sup>

### 7. Population Trends (chart)



## University and Colleges

The Eugene and Springfield area is home to several universities and colleges, many of which are located in east Eugene. The largest of these is the University of Oregon (UO), which has 24,181 enrolled students.<sup>5</sup> This area of the community has a more racially and ethnically diverse

<sup>2</sup> U.S. Census Bureau, Census 2010, DP-1, Portland State University Population Research Center, Lane Council of Governments.

<sup>3</sup> Population Research Center, PSU, Annual Population Report Tables 2012, April 2013; Census 2000

<sup>4</sup> Lane County, Lane County Coordinated Population Projections, Ordinance No. PA 1255, June 2009 Report

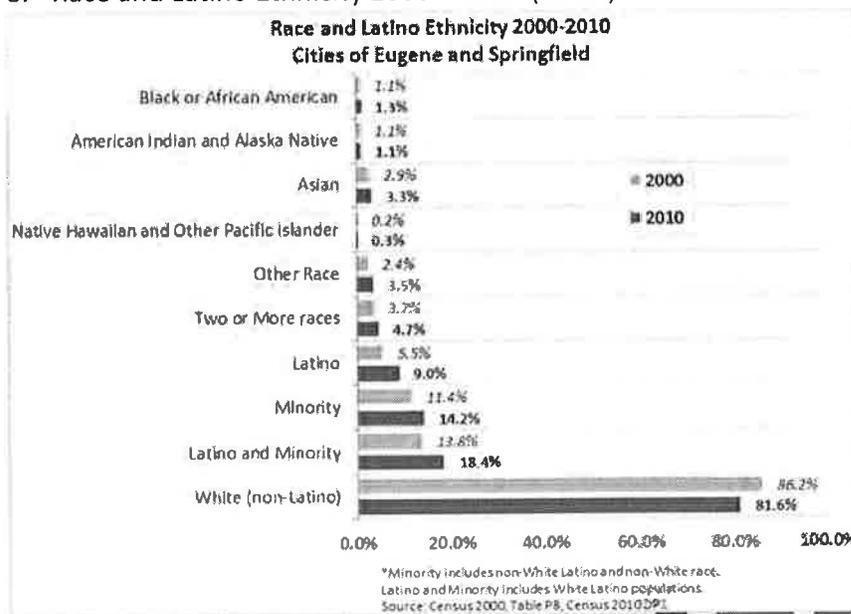
<sup>5</sup> University of Oregon, UO Facts, Fall 2014, University of Oregon Admissions, <http://admissions.uoregon.edu/profile.html>

population; the UO describes its Fall 2014 enrolled population to be 22.3% minority, multi-ethnic and/or Latino. The largest non-white populations at the UO are Latinos (8%), Asian students (6%), and students that identify as multi-ethnic (5%).<sup>6</sup> About 35% of students are out of state residents and 13% are international students. There are approximately 3,960 students living in residence halls on campus, which leaves a little over 20,000 students living off campus.<sup>7</sup> The presence of off campus college students presents a unique dynamic to the changing demographic and economic needs of the region.

***Race and Ethnicity of Residents***

In the Cities of Eugene and Springfield, Latino residents are the fastest growing population representing 9% of the population in the two cities. The Latino population in Springfield almost doubled from 2000 to 2010 from a little over 3,600 (6.8%) to over 7,000 (12%) people. In Eugene, the Latino population has also increased significantly, from over 6,800 (5%) people in 2000 to over 12,000 (7.8%) people in 2010, an increase of 78%.

8. Race and Latino Ethnicity 2000 – 2010 (Chart)



<sup>6</sup> University of Oregon, UO Facts, Fall 2014

<sup>7</sup> University of Oregon, UO Facts, Fall 2014

### ***Language***

As the population of the region becomes more diverse, it will become important for the language of residents be considered. Language is increasingly recognized as a barrier to opportunity for many residents who are not fluent in English,<sup>8</sup> has been identified as a barrier for parents when communicating with school staff, and residents when accessing education, employment, and services.<sup>9</sup> The percentage of the population in the community that speaks Spanish is about 6% in 2009-2013 Census. Of the People who speak Spanish, about 37% in the 2009-2013 Census speak English “less than well”. In the two cities, about 12% (23,606 people) of the population over age 5 speaks another language besides English at home.<sup>10</sup>

### ***Population by Age***

The Equity and Opportunity Assessment identified that residents age 25-39 live primarily in urban areas in central Eugene and Downtown Springfield, children and youth (0-17) live in the less urban areas of the region, and the population age 18-24 lives primarily around the University area.<sup>11</sup> Approximately 63% of residents in the cities of Eugene and Springfield are under age 45, a decline from 67% in 2000. Since 2000, the largest increase was in residents over age 60.

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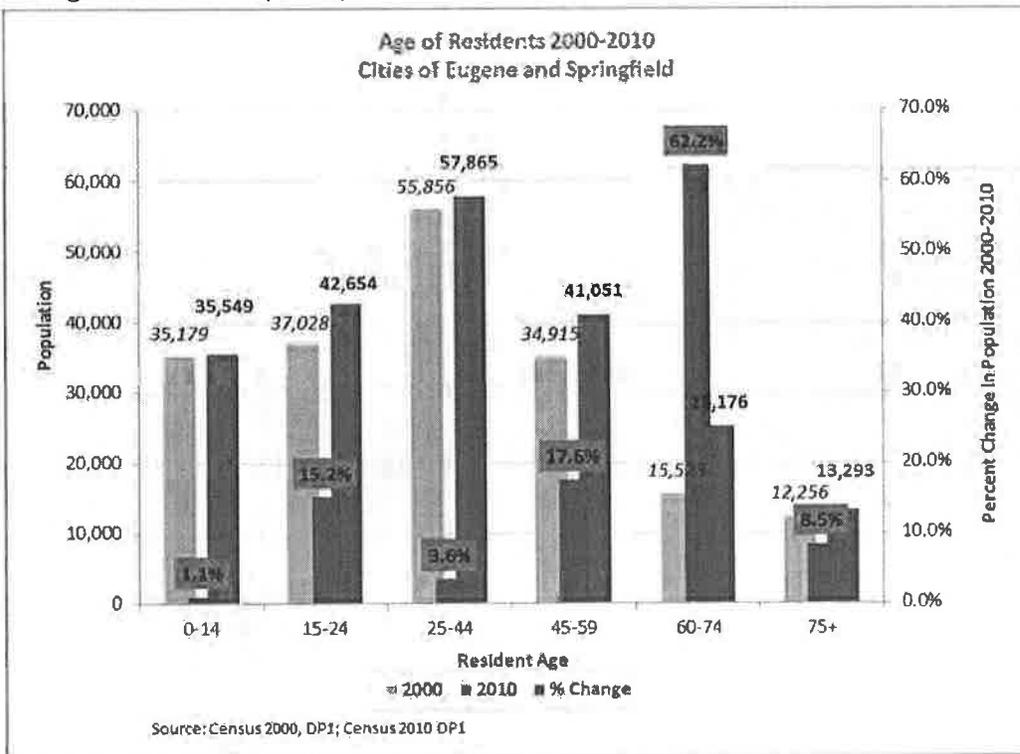
<sup>8</sup> Census ACS 2009-13

<sup>9</sup> These reports are: Equity and Opportunity Assessment; The Equity and Opportunity Assessment Outreach Project, 2013 Focus Groups and Affordable Housing Community Survey; and Latino Public Participation and Community Indicators Project

<sup>10</sup> Census ACS 2009-13, DP2

<sup>11</sup> EOA

9. Age of Residents (Chart)

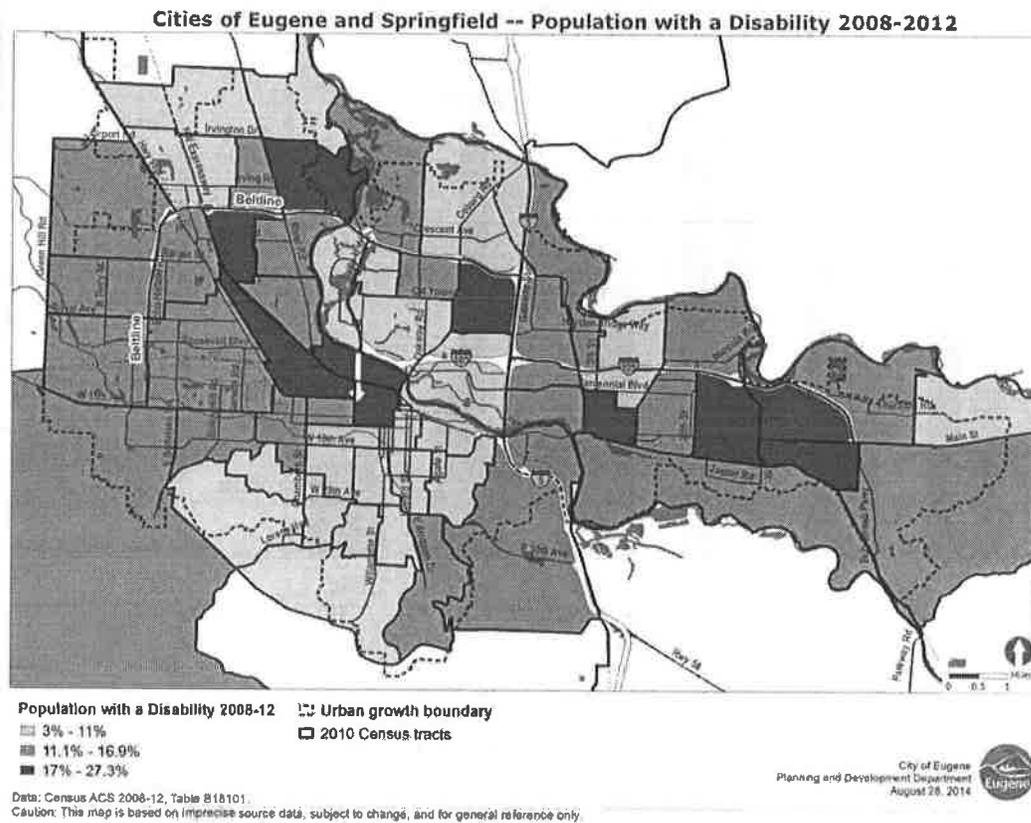


**Population with Disabilities**

About 14% of population in the Cities of Eugene and Springfield lives with one or more disabilities (29,125 people).<sup>12</sup> The types of disabilities identified include hearing (30%), vision (16%), cognitive (45%), ambulatory (49%), self-care (20%), and difficulty with independent living (35%). Persons with disabilities face a number of barriers related to mobility, transportation, housing, employment, and access to services. In addition, persons with disabilities report many instances of discrimination.

<sup>12</sup> U.S. Census Bureau, ACS 2008-12, S1810 Disability Characteristic, disability data is for the non-institutionalized population. Percentages may be more than 100 because people can have more than 1 disability.

## 10. Population with Disability (Map)



### *Veterans*

In the Cities of Eugene and Springfield, about 9% of the population is made up of veterans based on Census estimates for the 2009-2013 time period (Eugene – 8%, Springfield – 11%). Over 90% of veterans in both cities are male. Employment has been a challenge for veterans in the region, with the unemployment rate for veterans in Springfield at 15% and 12% in Eugene, which is higher than the combined rate for Eugene and Springfield of 12%. The disability rate of veterans in Eugene is 31% and in Springfield 32%, compared to the non-veteran population with a disability in Eugene (13%) and Springfield (18%).

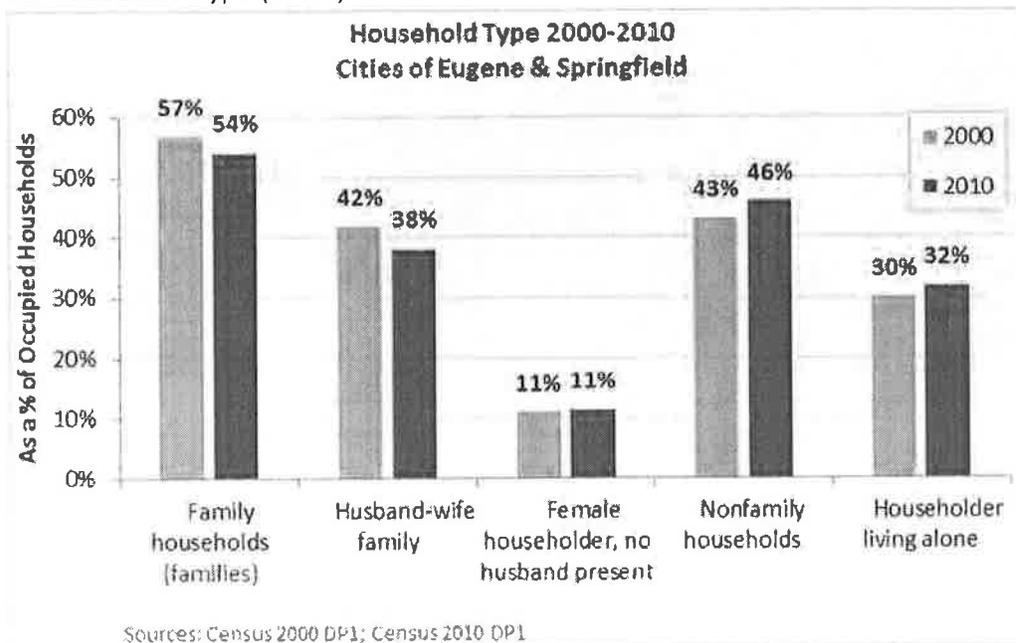
### Households

In the region, 54% of households are families (Eugene – 51%, Springfield – 62%).<sup>13</sup> Of those, single female households make up 11% of households in the region and single male headed households make up 5% of households.<sup>14</sup>

Since 2000, the number of single female headed households has increased at a higher rate (19%) than all other family household types. The largest growth in all household types was non-family households, which increased by 22% between 2000 and 2010. Single people living alone also increased by 21% since 2000, now representing 32% of occupied households. Households with same sex partners represent 1% of family households, and households with unmarried opposite sex partners are 8% of households, while married opposite sex partners are 38%.<sup>15</sup>

Projections show that a larger share of future populations will be comprised of smaller and older households, but also a larger Latino population. The increase in Latino residents creates a different community dynamic with different needs, including an increase in the number of larger households.<sup>16</sup>

#### 11. Household Type (Chart)



<sup>13</sup> US Census 2010, DP1

<sup>14</sup> US Census 2010, DP1

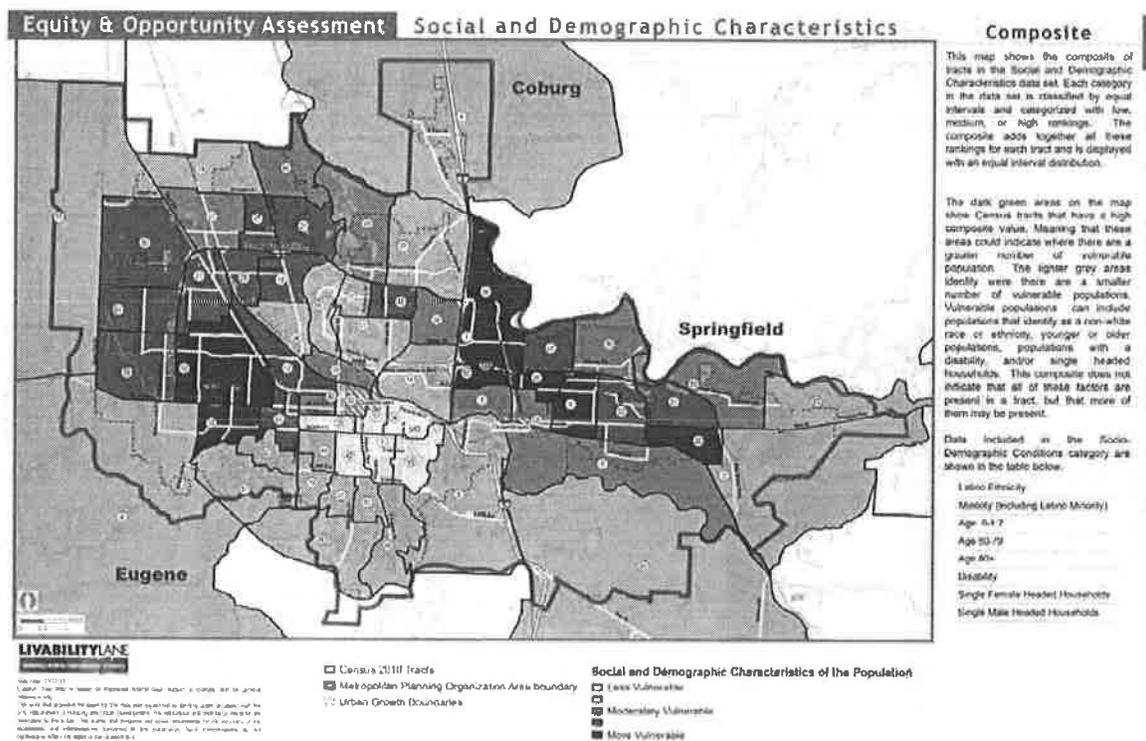
<sup>15</sup> US Census Bureau, Census 2010, PCT15

<sup>16</sup> Lane County Population projections

## Vulnerable Populations

One of the products of the regional Equity and Opportunity Assessment was the creation of a composite map that shows where in the community there are more vulnerable populations living. The composite map combines people with Latino ethnicity, minority, youth, seniors, single headed households, and persons with a disability to see which census tracts have the greatest number of populations that may experience marginalization or disadvantages. See map in following section for areas with greater social and demographic vulnerabilities.

## 12. Social and Demographic Characteristics (Map)



## Income and Poverty

Poverty is a key indicator for determining the financial health of a community, and can help show how residents are faring financially. Areas of poverty can undermine an individual's or family's efforts to improve living conditions through geographical constraint, exposure to crime, access to education, or negative mental and physical health impacts.

The poverty rate for the Eugene and Springfield has increased since 2000 from 17% to 23%.<sup>17</sup> Over the past 40 years, poverty rates have increased gradually with Eugene seeing an increase from 13% in 1969 to 24% (2009-13) and in Springfield from 10% in 1969 to 22% (2009-13). The geographic distribution of poverty reveals that there are tracts in the community considered areas of extreme poverty, with more than 40% of the people in poverty.<sup>18</sup> Single female householders experience high poverty rates compared to the whole population in poverty at 24% (Eugene – 20%, Springfield – 38%).

The area has a large college student population, and the inclusion of college students in poverty calculations is believed to inflate poverty rates due lack of reported incomes among students.<sup>19</sup> <sup>20</sup> People living in non-family households and households with other living arrangements represent 53% of the population in poverty in both cities combined<sup>21</sup> (Eugene – 61%, Springfield – 31%). While some students are fully supported by family members, others struggle to complete their educations and meet their daily basic needs. Approximately 45% of all part and full-time undergraduates for the 2013-14 school year had need based on financial aid applications and 49% of new freshmen were determined to have a financial need.<sup>22</sup>

Additional poverty information shows that the Latino population has a higher poverty rate (29%), than the white, non-Latino population (22%). Higher poverty rates are also reported in Asian populations (42%) and Black/African American populations (37%).<sup>23</sup>

Residents over age 25 with less than a high school degree have the highest poverty rates (29%) compared to residents high school equivalency or greater. Residents with a bachelor's degree or higher have the lowest poverty rates.

Looking solely at the Federal poverty guidelines may underestimate the needs of low-income residents. According to The 2008 Job Gap, a study focused on economic inequality in the Northwest, the federal poverty thresholds established more than 40 years ago were based on food expenditures and do not fully reflect the true cost of living. Since the 1960's, the cost of housing, gasoline, utilities, health care and child care expenses have increased much faster than the cost of food, resulting in federal poverty measures that substantially underestimate the

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<sup>17</sup> US Census ACS 2009-13, Table B17021

<sup>18</sup> US Census Bureau, American Community Survey Briefs, *Areas with Concentrated Poverty: 2006-2010*, December 2011

<sup>19</sup> Missouri Census Data Center, Measures of Income in the Census, [http://mcdc.missouri.edu/allabout/measures\\_of\\_income](http://mcdc.missouri.edu/allabout/measures_of_income)

<sup>20</sup> OregonLive.com College Students living off campus inflate poverty rates in Eugene, Corvallis, Portland; [http://www.oregonlive.com/education/index.ssf/2013/07/college\\_students\\_living\\_off\\_ca.html](http://www.oregonlive.com/education/index.ssf/2013/07/college_students_living_off_ca.html)

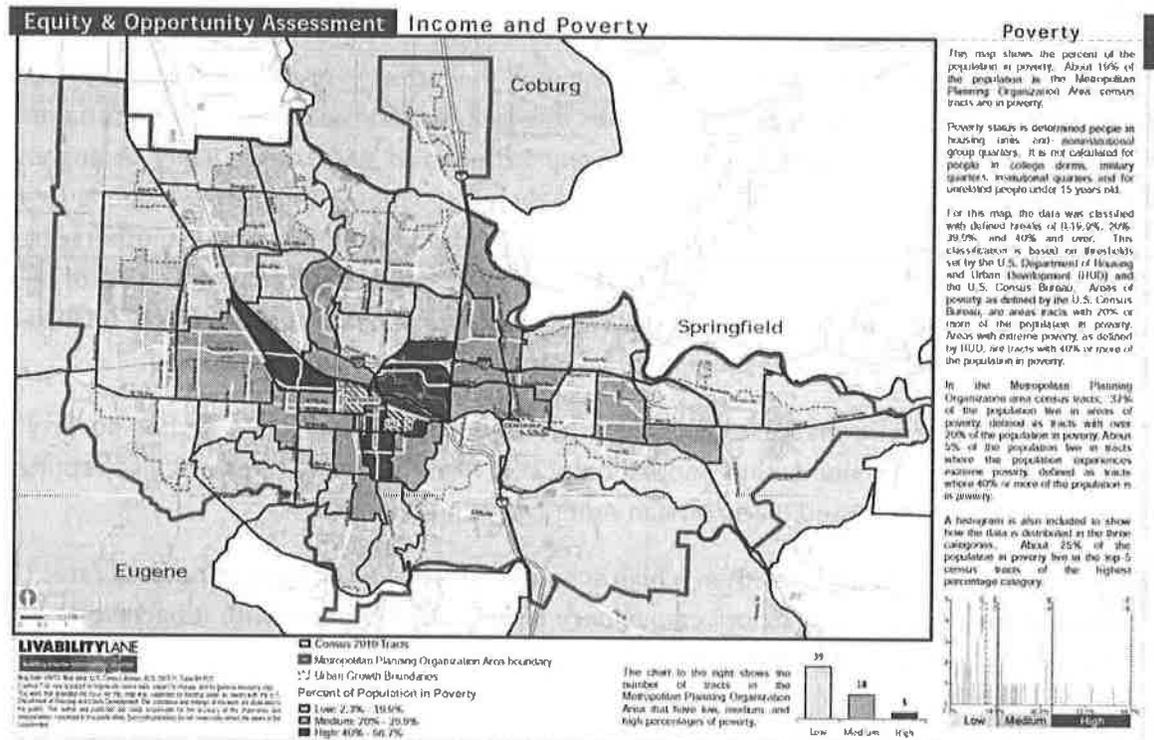
<sup>21</sup> US Census ACS 2009-13

<sup>22</sup> University of Oregon, Common Data Set 2013-14, <https://ir.uoregon.edu/cds>

<sup>23</sup> US Census ACS 2009-13, Table S1701

basic needs of Oregonians. As a result, many families with incomes above the federal poverty threshold still lack sufficient resources to meet their basic needs. For 2013, the poverty threshold for an individual under age 65 was \$12,119; for a one person household with two children \$18,769; and for a two person household with two children \$23,624.

### 13. Income and Poverty (Map)



### Household Income

Median household income measures the income of the householder and all household members 15 years or older regardless of relationship to householder, and is the middle of all incomes in the tract. The median household income in the 2011-13 census estimates for Lane County was \$41,936, which is lower than the US, and State, but higher than Eugene and Springfield. Additional detail is contained in the following chart.

Between 2000 and 2011-13, median family and household incomes of the two cities have taken very different paths. In the Cities of Eugene and Springfield, both the household and family

median incomes have declined, while home values have increased.<sup>24</sup> The chart below illustrates median family and household incomes for the area over time.

A US Census Bureau special report *Examining the Effect of Off-Campus College Students on Poverty Rates* studies the effects of large college student populations on poverty estimates. The inclusion of college students in poverty calculations is believed to inflate the rates much higher due to lack of reported incomes among students.<sup>25</sup> The report found that in Eugene, the poverty rate dropped from 24% to 17% when college students not living with relatives were excluded. With over 20,000 students from the University of Oregon living in off-campus settings, this may inflate the rate of poverty, and the concentration of low income households around the University.

#### 14. Median Household Income (Chart)



#### **Food Assistance**

There are multiple forms of food assistance that not only help to identify populations impacted by food insecurity, but also help to create a more complete understanding of issues around

<sup>24</sup> Data for 1969-1999 from HUD SOCDs, Data for 2007-11 from US Census Bureau ACS DP4

<sup>25</sup> OregonLive.com, College Students Living Off-Campus Inflate Poverty Rates in Eugene, Corvallis Portland

income and poverty. This section reviews data gathered through the school free and reduced lunch programs, the Supplemental Nutrition Assistance Program (SNAP), and local food box assistance.

Results from the Equity and Opportunity Assessment found that 50% of elementary, middle and high school students in the Eugene-Springfield metropolitan area were eligible for the free or reduced meal program for the school year 2012-13. In the Cities of Eugene and Springfield, about 23% of residents (20,385) reported receiving SNAP benefits in the 2009-2013 census survey<sup>26</sup> (Eugene 20% and Springfield 30%).

Food for Lane County is the region's food bank that provides emergency food services to urban and rural residents across the county. Every two years, Food for Lane County conducts a Hunger Factors Assessment survey of food box recipients. The information presented here is from the 2012 survey.<sup>27</sup> This survey found that 39% of people in Lane County who receive food boxes are qualified for a form of food assistance. About 62% of households in the survey also receive SNAP benefits; however 94% reported that their SNAP assistance lasted only three weeks, leaving a week without food assistance. Around 36% of households that receive food boxes have children.<sup>28</sup>

A large percentage of adult recipients (22%) replied they are looking for work, 24% have a disability, 14% are retired, 10% work full time and 10% part time, and 5% care for a family member.

In the survey, food box recipients were asked "What would make emergency food assistance less necessary for your family?" and people were asked to choose all responses that applied to their situations. The highest responses included employment (52%), affordable housing (41%), health care (35%), and higher wages (37%). Education was indicated as well as job training, GED, and transportation.<sup>29</sup>

### ***Areas with Low-and Moderate Income Populations***

HUD has established definitions for low, very low, and extremely low-income populations as percentages of the median family income (MFI). Using recently updated HUD, about 44% of people (88,225) in the cities of Eugene and Springfield were low-income (Eugene – 41%, Springfield – 50%), for the Census 2006-2010.

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<sup>26</sup> US Census ACS 2009-13, Table S2201

<sup>27</sup> Food for Lane County, 2013 Hunger in Lane County, [http://www.foodforlanecounty.org/en/about\\_hunger/additional\\_resources/lane\\_county/](http://www.foodforlanecounty.org/en/about_hunger/additional_resources/lane_county/) 663 completed surveys were received.

<sup>28</sup> Food for Lane County 2013 Hunger in Lane County

<sup>29</sup> Food for Lane County 2013 Hunger in Lane County

The HUD 2014 median family income for the county is \$55,200. Listed below are the annual incomes for a family of four, and the HUD-defined poverty level.

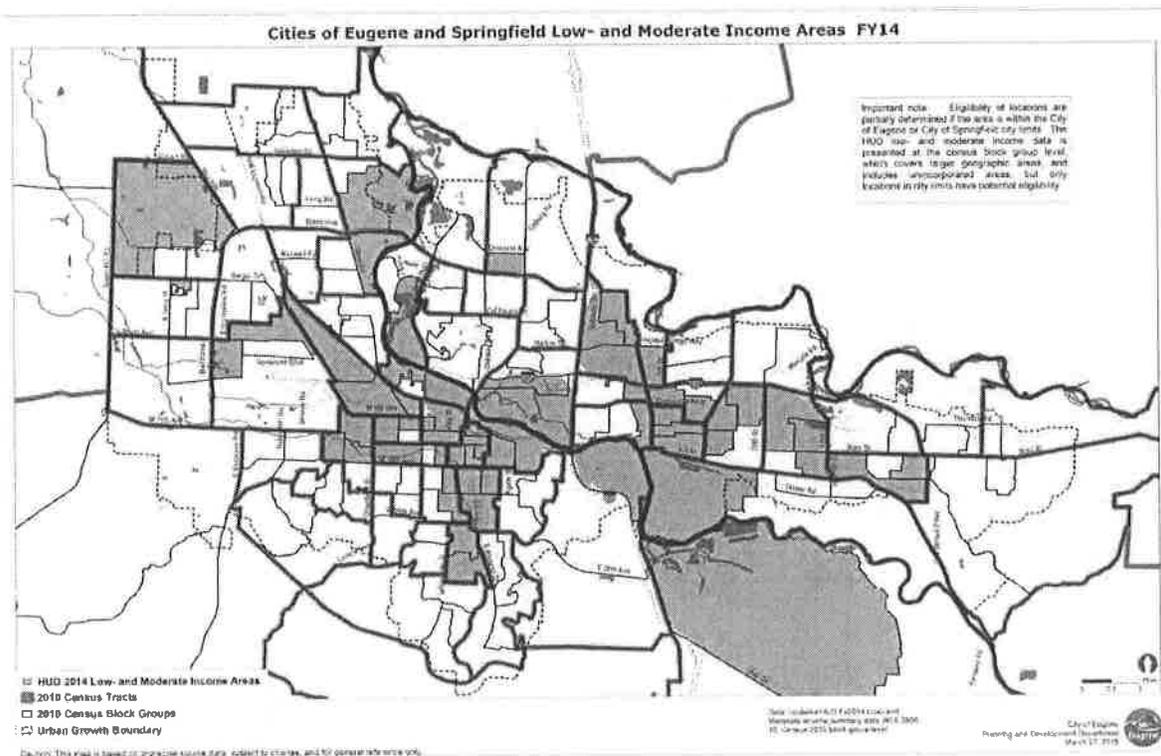
Extremely low-income – \$23,850

Very low-income – \$27,600

Low-moderate income – \$44,150

The map in the following section identifies block groups where 51% or more of the population have incomes in below 80% of the median family income.

### 15. Areas of Concentration of Low- and Moderate-Income Populations (Map)



## Number of Households – Consortium

16. Total Households (HUD Provided Table)

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	13,285	11,025	14,780	8,900*	41,550
Small Family Households	2,750	3,265	4,900	3,290*	20,405
Large Family Households *	270	350	680	375*	2,465
Household contains at least one person 62-74 years of age*	1,365	1,705	2,000	1,260	7,655
Household contains at least one person age 75 or older*	905	1,790	2,355	1,045	3,315
Households with one or more children 6 years old or younger	1,494	1,714	2,245	1,340*	3,085

\* This data is >80% HAMFI

Data Source: 2007-2011 CHAS

17. Total Households Percent (Table)

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	All low income <80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	14.8%	12.3%	16.5%	43.7%	9.9%	46.4%
Small Family Households *	7.9%	9.4%	14.2%	31.5%	9.5%	59.0%
Large Family Households *	6.5%	8.5%	16.4%	31.4%	9.1%	59.5%
Household contains at least one person 62-74 years of age	9.8%	12.2%	14.3%	36.3%	9.0%	54.7%
Household contains at least one person age 75 or older	9.6%	19.0%	25.0%	53.7%	11.1%	35.2%
Households with one or more children 6 years old or younger *	15.1%	17.4%	22.7%	55.2%	13.6%	31.2%

Data Source: 2007-2011 CHAS

## Housing Needs Summary - Consortium

### Housing Problems (Households with one of the listed needs)

18. Housing Problems (HUD Provided Table)

	Renter					Owner					Total
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	
NUMBER OF HOUSEHOLDS											
Substandard Housing - Lacking complete plumbing or kitchen facilities	670	310	220	35	1,235	10	15	19	0	44	
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	165	55	120	0	340	4	0	20	35	59	
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	120	85	170	175	550	25	45	70	35	175	
Housing cost burden greater than 50% of income (and none of the above problems)	7,795	3,470	1,070	45	12,380	1,240	1,185	1,430	545	4,400	
Housing cost burden greater than 30% of income (and none of the above problems)	535	2,875	4,320	1,100	8,830	155	875	1,515	1,540	4,085	
Zero/negative Income (and none of the above problems)	1,260	0	0	0	1,260	315	0	0	0	315	

Data Source: 2007-2011 CHAS

19. Housing Cost Burden Overview (Table)

	City of Eugene				City of Springfield					
	Owner	% HH	Renter	% HH	Total	Owner	% HH	Renter	% HH	Total
Cost Burden <=30%	22,265	33.9%	13,690	20.9%	35,955	8,405	35.2%	5,315	22.2%	13,720
Cost Burden >30% to <=50%	6,800	10.4%	6,765	10.3%	13,565	2,670	11.2%	3,265	13.7%	5,935
Cost Burden >50%	3,625	5.5%	11,005	16.8%	14,630	1,450	6.1%	2,515	10.5%	3,965
Cost Burden not available	180	0.3%	1,300	2.0%	1,480	135	0.6%	150	0.6%	285
<b>Total</b>	<b>32,865</b>		<b>32,765</b>		<b>65,630</b>	<b>12,660</b>		<b>11,245</b>		<b>23,905</b>
Cost Burden >30%	10,425	15.9%	17,770	27.1%	28,195	4,120	17.2%	5,780	24.2%	9,900
% of Households with a cost burden					43.0%					41.4%

Data: HUD CHAS 2007-11

*Severe Housing Problems 2 - Consortium*

Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden.

20. Severe Housing Problems 2 (HUD Provided Table)

	Renter						Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
<b>NUMBER OF HOUSEHOLDS</b>										
Having 1 or more of four housing problems	8,750	3,915	1,575	255	14,495	1,275	1,245	1,540	610	4,670
Having none of four housing problems	1,385	3,885	7,625	4,565	17,460	305	1,975	4,030	3,470	9,780
Household has negative income, but none of the other housing problems	1,260	0	0	0	1,260	315	0	0	0	315

Data Source: 2007-2011 CHAS

2.1. Severe Housing Problems Percentages 2 (Table)

	As % of Renter Households within Housing Category				Total
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	
<b>Renter</b>					
Severe Housing Problems					
Having 1 or more of four housing problems	60.4%	27.0%	10.9%	1.8%	14,495
Having none of four housing problems	7.9%	22.3%	43.7%	26.1%	17,460
Household has negative income, but no other housing problems	100.0%	0.0%	0.0%	0.0%	1,260
<b>Total Renter Households with incomes up to 100% AMI</b>					<b>33,215</b>
<b>Owner</b>					
Severe Housing Problems					
Having 1 or more of four housing problems	27.3%	26.7%	33.0%	13.1%	4,670
Having none of four housing problems	3.1%	20.2%	41.2%	35.5%	9,780
Household has negative income, but no other housing problems	100.0%	0.0%	0.0%	0.0%	315
<b>Total Owner Households with incomes up to 100% AMI</b>					<b>14,765</b>
<b>Total Households with incomes up to 100% AMI</b>					<b>47,980</b>

Data Source: 2007-2011 CHAS

## Cost Burden > 30%- Consortium

22. Cost Burden > 30% (HUD Provided Table)

	Renter				Owner				Total
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	
NUMBER OF HOUSEHOLDS									
Small Related	1,945	2,300	2,040	6,285	139	585	1,110	1,834	
Large Related	205	250	215	670	29	80	245	354	
Elderly	985	1,120	815	2,920	645	1,105	985	2,735	
Other	5,865	3,020	2,610	11,495	600	330	675	1,605	
Total need by income	9,000	6,690	5,680	21,370	1,413	2,100	3,015	6,528	

Data Source: 2007-2011 CHAS

23. Households with a Housing Cost Burden by Income (Table)

	Renter				Owner				Total
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	
NUMBER OF HOUSEHOLDS									
Small Related	9.1%	10.8%	9.5%	29.4%	2.1%	9.0%	17.0%	28.1%	
Large Related	1.0%	1.2%	1.0%	3.1%	0.4%	1.2%	3.8%	5.4%	
Elderly	4.6%	5.2%	3.8%	13.7%	9.9%	16.9%	15.1%	41.9%	
Other	27.4%	14.1%	12.2%	53.8%	9.2%	5.1%	10.3%	24.6%	
Total need by income	9,000	6,690	5,680	21,370	1,413	2,100	3,015	6,528	
Need by income %	42.1%	31.3%	26.6%	76.6%	21.6%	32.2%	46.2%	23.4%	
As a % of Renter Households									
As a % of Owner Households									
Cost Burdened Households as a % of Households with lower incomes									

Data: CHAS 2007-11

## Cost Burden > 50%- Consortium

24. Cost Burden > 50% (HUD Provided Table)

	Renter			Owner			Total
	0-30% AMI	>30-50% AMI	>50-80% AMI	0-30% AMI	>30-50% AMI	>50-80% AMI	
<b>NUMBER OF HOUSEHOLDS</b>							
Small Related	1,890	1,075	425	135	455	645	1,235
Large Related	190	130	0	29	65	140	234
Elderly	845	720	285	535	450	340	1,325
Other	5,505	1,785	445	555	235	345	1,135
Total need by income	8,430	3,710	1,155	1,254	1,205	1,470	3,929

Data Source: 2007-2011 CHAS

25. Households with a Severe Housing Cost Burden by Income (Table)

	Renter			Owner		
	0-30% AMI	>30-50% AMI	>50-80% AMI	0-30% AMI	>30-50% AMI	>50-80% AMI
<b>NUMBER OF HOUSEHOLDS</b>						
Small Related	14.2%	8.1%	3.2%	3.4%	11.6%	16.4%
Large Related	1.4%	1.0%	0.0%	0.7%	1.7%	3.6%
Elderly	6.4%	5.4%	2.1%	13.6%	11.5%	8.7%
Other	41.4%	13.4%	3.3%	14.1%	6.0%	8.8%
Total need by income	5,505	1,785	445	555	235	345
				As a % of Owner Households		
				31.4%		
				6.0%		
				33.7%		
				28.9%		
				1,135		

Need by income as %	71.2%	23.1%	5.8%	48.9%	20.7%	30.4%
Cost Burdened Households as a % of Households with low incomes	87.2%			12.8%		

Data: CHAS 2007-11

### Crowding (More than one person per room) – Consortium

26. Crowding Information – More Than One Person per Room (HUD Provided Table)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	215	135	200	165	715	25	45	80	50	200
Multiple, unrelated family households	35	0	80	10	125	4	0	10	14	28
Other, non-family households	40	4	40	0	84	0	0	0	0	0
Total need by income	290	139	320	175	924	29	45	90	64	228

Data Source: 2007-2011 CHAS

27. Crowding by Income and Tenure (Table)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households*	23.3%	14.6%	21.6%	17.9%	77.4%	11.0%	19.7%	35.1%	21.9%	87.7%
Multiple, unrelated family households*	3.8%	0.0%	8.7%	1.1%	13.5%	1.8%	0.0%	4.4%	6.1%	12.3%
Other, non-family households*	4.3%	0.4%	4.3%	0.0%	9.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Total need by income*	290	139	320	175	924	29	45	90	64	228
Need by income as %	25.2%	12.1%	27.8%	15.2%	77.4%	2.5%	3.9%	7.8%	5.6%	87.7%

Tenure as % of Crowded Households with incomes <100% AMI 80.2% 19.8%

Data: CHAS 2007-11

## Households with Children Present

### 28. Households with Children Present (Table)

	Renter					Total
	0-30% AMI	>30-50% AMI	>50-80% AMI	<80%	>80%	
Households with Children Present	1,400	1,364	1,735	4,499	1,880	6,379
As % of Renter or Owner Households	21.9%	21.4%	27.2%	70.5%	29.5%	
As % of All Households with Children	12.0%	11.7%	14.9%	38.6%	16.1%	54.7%
2007-11 CHAS						
	Owner					Total
	0-30% AMI	>30-50% AMI	>50-80% AMI	<80%	>80%	
Households with Children Present	94	350	510	954	2,545	5,289
As % of Renter or Owner Households	1.8%	6.6%	9.6%	18.0%	48.1%	
As % of All Households with Children	0.8%	3.0%	4.4%	8.2%	21.8%	45.3%
All Households 11,668						

Data: HUD CPD Maps Report, for HOME Consortium, 2007-11 CHAS

## **Housing Needs Assessment Narrative Questions**

### ***Number and Type of Single Person Households in Need of Housing Assistance - Consortium***

Single people living alone increased by 21% since 2000 and now represent 32% of occupied households. Approximately 7,550 people in poverty (29%) are single person households based on 2009-13 census estimates. According to consultations, there is a significant need for single occupant rental units. For public housing, there is a waiting list of 957 individuals, with up to a five-year wait time for single rooms. Additionally, there are 9% of the undergraduate off-campus University of Oregon students receiving income based financial aid (PELL Grants), plus an additional unknown number of low-income graduate students that would likely need housing assistance.

### ***Number and Type of Families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking. - Consortium***

In the Lane County One Night Count for 2013, 9% of the people experiencing homelessness indicated they had been victims of domestic violence, or 164 people. Additionally, there were 1,545 shelter nights provided for victims of interpersonal violence in 2011 in Lane County, plus a total of 5,079 calls to shelters for incidences of domestic violence, stalking or sexual assault.<sup>30</sup> While not all callers require housing assistance, over 80% of the survivors who make it into limited shelter beds identified "finding housing I can afford" as a need, second only to "safety for myself".<sup>31</sup>

In Eugene in households with a member who has a cognitive disability, 41% are extremely low-income, and 33% have housing problems. Additionally, more renter households with members who have a disability have housing problems compared to owner households with a household member who has a disability.

### ***Most Common Housing Problems - Consortium***

The most common housing problems in this community include:

Housing affordability: 43% of household in Eugene and 41% in Springfield pay more than 30% of income on housing costs. Renters are more likely to have higher housing costs than owners

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<sup>30</sup> Oregon Department of Human Services-Child Welfare Programs, "Striving to Meet the Need: A Summary of Services Provide by Sexual and Domestic Violence Programs in Oregon, April 2012"

<sup>31</sup> National Network to End Domestic Violence

indicating a greater need for affordable rental housing. Between 11% (Springfield) and 17% (Eugene) of renters spend more than half of their income on housing.

Housing availability: There is a lack of availability rental and owner occupied units for low-income residents, as indicated by the significant waiting lists for public housing, and the difficulty experienced by Section 8 voucher-holders in trying to find affordable available housing. Additionally, vacancy rates remain low, at 2% for Eugene owner-occupied and rental housing, and 2% in Springfield for owner-occupied housing and 3% for renter units.

Housing Quality: All owner households with substandard housing are low-income (<80% AMI). Additionally 62% of the housing in Eugene and Springfield was built before 1980, which is used as an indicator of an increased risk of lead.

Housing for the Homeless: There is a continuing need for housing for homeless populations. While there are 1,355 emergency, transitional and supportive housing beds in the County, there the 2015 Point in Time Count identified 716 people without shelter.

#### ***Populations or Household Types More Affected by Housing Problems - Consortium***

People with special needs are especially vulnerable to shortages in affordable and appropriate housing, including people with disabilities, victims of domestic violence, families with children, youth aging out of foster care, people being released from incarceration, and undocumented residents.

#### ***Needs and Characteristics of Low-Income Individuals at Risk of Homelessness-Consortium***

The National Center on Family Homelessness cites common characteristics faced by this population to include of lack of affordable housing, extreme poverty, decreasing government supports, the challenge of raising children alone, domestic violence, and fractured social supports. As the gap between housing costs and income continues to widen, more and more families are at risk of homelessness. For families with vulnerabilities or little safety net, even a seemingly minor event can trigger a catastrophic outcome and catapult a family onto the streets.

Families that use the community's homeless prevention programs are teetering on the brink of losing their housing because of the challenges mentioned above, especially when faced with a health care crisis, sudden loss of employment or reduced hours or domestic violence.

#### ***Definition of At-Risk Groups - Consortium***

Based on the Livability Lane Equity and Opportunity Assessment, a vulnerability indicator was created that combines several factors, each of which show some characteristics of disproportionality, and collectively are a good indicator of communities at risk. These factors

include: higher percentage of Latino populations, youth, people aged 60-79, populations with disabilities, and single-headed households. Looking at this combination of indicators also equalizes the unknown but certain impact of the under-reported income of college students.

***Housing Characteristics Linked with Increased Risk of Homelessness - Consortium***

Severe cost burden is the greatest predictor of risk of homelessness, where residents are paying more than 50% of their income towards housing costs. The high cost of rental units is also a contributor, particularly in Eugene where there is increased demand for rental units because of the high number university students living off-campus. Another possible factor is the reduction in the amount of housing available and affordable for low-income residents. Five percent of the total housing in the community is manufactured homes and are concentrated in three census tracts.

**Housing Needs Assessment Additional Discussion- Consortium**

Through this assessment, priority needs are identified related to renters and owners. Low and very low-income renters have need for access to affordable and appropriate rental housing. Strategies to address this priority need should address the creation and rehabilitation of existing rental housing stock. An additional priority need coming from this analysis is the need to maintain and increase the supply of affordable owner-occupied housing for low and very low-income residents. A strategy to address this priority need is to acquire, develop and repair owner-occupied housing.

## NEEDS ASSESSMENT 15 DISPROPORTIONATELY GREATER NEED: HOUSING PROBLEMS - CONSORTIUM

### **Introduction**

Housing problems exist when a household experiences one or more of the following housing problems: lacking complete kitchen facilities, lacking complete plumbing facilities, has over one person per room, and a housing cost burden over 30%. Currently, about 56% of renters and 33% of owners have housing problems, which has increased since 2000, when 51% of renters and 27% of owners reported housing problems.<sup>32 33</sup> The data verifies that renter households are more likely than owner households to have a housing problem related to housing affordability, condition, and overcrowding.

Approximately 54% or 47,980 households are considered to be low- and moderate-income (under 80% Median Family Income), up from 42% in 2000. Given the gap between incomes and housing costs in Lane County, low- and moderate-income households are more likely to experience housing cost burdens or to live in unsuitable or overcrowded conditions, and are at risk of homelessness. People in these income categories find it increasingly difficult to afford other necessities, such as child care, medical insurance or basic health care, or food.

There are disproportionately high incidences of housing problems among racial and ethnic minorities in the cities of Eugene and Springfield. Disproportionate housing problems are defined as existing when the percentage of households identifying with a particular race or ethnicity is reported at a rate 10% or greater than the area as a whole. Disproportionate housing problems are evident for households earning between 80% and 100% of the AMI identifying as Hispanic/Latino, Asian, and Native American.

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<sup>32</sup> HUD CHAS 2000

<sup>33</sup> HUD CHAS 2007-11,

## Disproportionate Need – Housing Problems by Income Level

### 0%-30% of Area Median Income- Consortium

#### 29. Disproportionally Greater Need 0 - 30% AMI (HUD Provided Table)

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	11,350	1,280	1,780
White	9,515	1,060	1,240
Black/African American	99	4	60
Asian	560	65	270
American Indian, Alaska Native	53	55	0
Pacific Islander	0	0	35
Hispanic	845	15	100

Data Source: 2007-2011 CHAS

#### 30. Housing Problems - 0%-30% of Area Median Income (Table)

Housing Problems	Has one or more of four housing problems	As % of Total Population	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems	Total (including no or negative income)
Jurisdiction as a whole	11,350	78.8%	1,280	1,780	14,410
Threshold for Disproportionate Need		88.8%			
White	9,515	80.5%	1,060	1,240	11,815
Black/African American	99	60.7%	4	60	163
Asian	560	62.6%	65	270	895
American Indian, Alaska Native	53	49.1%	55	0	108
Pacific Islander	0		0	35	35
Hispanic	845	88.0%	15	100	960

Data Source: 2007-2011 CHAS

### 30%-50% of Area Median Income- Consortium

31. Disproportionally Greater Need 30 - 50% AMI (HUD Provided Table)

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	8,415	2,245	0
White	6,940	1,885	0
Black/African American	60	20	0
Asian	315	75	0
American Indian, Alaska Native	140	0	0
Pacific Islander	0	10	0
Hispanic	825	210	0

Data Source: 2007-2011 CHAS

32. Disproportionately Greater Need 30-50% AMI – Percentages (Table)

Housing Problems	Has one or more of four housing problems	As % of Total Population	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems	Total Households 30-50% AMI
Jurisdiction as a whole	8,415	78.9%	2,245	0	10,660
Threshold for Disproportionate Need		88.9%			
White	6,940	78.6%	1,885	0	8,825
Black/African American	60	75.0%	20	0	80
Asian	315	80.8%	75	0	390
American Indian, Alaska Native	140	100.0%	0	0	140
Pacific Islander	0	0.0%	10	0	10
Hispanic	825	79.7%	210	0	1,035

Data Source: 2007-2011 CHAS

*50%-80% of Area Median Income – Consortium*

33. Disproportionally Greater Need 50 - 80% AMI (HUD Provided Table)

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	8,130	6,610	0
White	7,035	5,690	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Black/African American	50	35	0
Asian	105	145	0
American Indian, Alaska Native	70	115	0
Pacific Islander	0	25	0
Hispanic	580	455	0

Data Source: 2007-2011 CHAS

#### 34. Disproportionally Greater Need 50%-80% of Area Median Income (Table)

Housing Problems	Has one or more of four housing problems	As % of Total	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems	Total Households 50-80% AMI
Jurisdiction as a whole	8,130	55.2%	6,610	0	14,740
Threshold for Disproportionate Need		65.2%			
White	7,035	55.3%	5,690	0	12,725
Black/African American	50	58.8%	35	0	85
Asian	105	42.0%	145	0	250
American Indian, Alaska Native	70	37.8%	115	0	185
Pacific Islander	0		25	0	25
Hispanic	580	56.0%	455	0	1,035

Data Source: 2007-2011 CHAS

#### 80%-100% of Area Median Income – Consortium

#### 35. Disproportionally Greater Need 80 - 100% AMI (HUD Provided Table)

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,260	5,685	0
White	2,910	5,245	0
Black/African American	35	95	0
Asian	100	65	0
American Indian, Alaska Native	0	0	0

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Pacific Islander	0	0	0
Hispanic	175	175	0

Data Source: 2007-2011 CHAS

### 36. Housing Problems 80%-100% of Area Median Income (Table)

Housing Problems	Has one or more of four housing problems	As % of Total	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems	Total Households 80-100% AMI
Jurisdiction as a whole	3,260	36.4%	5,685	0	8,945
Threshold for Disproportionate Need		46.4%			
White	2,910	35.7%	5,245	0	8,155
Black/African American	35	26.9%	95	0	130
Asian	100	60.6%	65	0	165
American Indian, Alaska Native	0		0	0	0
Pacific Islander	0		0	0	0
Hispanic	175	50.0%	175	0	350

Data Source: 2007-2011 CHAS

## Disproportionately Greater Need: Housing Problems Additional Discussion

Disproportionality in the incidence of housing problems by race is seen in several income groups. Using the HUD definitions for measuring disproportionality, this includes Asian and Hispanic households (80-100%AMI).

## NEEDS ASSESSMENT 20 DISPROPORTIONATELY GREATER NEED: SEVERE HOUSING PROBLEMS – CONSORTIUM

### Introduction

Severe housing problems exist when a household experiences one or more of the following housing problems: lacks complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%. Complete kitchen facilities include a sink with a faucet, a stove or range, and refrigerator. Complete plumbing facilities include hot and cold running water, a flush toilet, and a bathtub or shower. When a housing unit is missing one of these it is lacking complete kitchen or plumbing facilities. Crowding in housing is measured by looking at the number of people per room. This is calculated to include all rooms of the unit, not including areas such as unfinished attics or basements, hallways, kitchens, and bathrooms. Households with severe cost burdens pay over 50% of income on housing costs.

There are disproportionately high incidences of housing problems among racial and ethnic minorities in the cities of Eugene and Springfield. Disproportionate housing problems are defined as existing when the percentage of households identifying with a particular race or ethnicity is reported at a rate 10% or greater than the area as a whole. A disproportionate number of severe housing problems are evident for households identifying as Black/African American, Asian, and Hispanic/Latino at multiple income levels.

### Disproportionate Need – Severe Housing Problems by Income Level

#### *0%-30% of Area Median Income*

#### 37. Severe Housing Problems 0 - 30% AMI (HUD Provided Table)

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	10,275	2,360	1,780
White	8,630	1,945	1,240
Black/African American	99	4	60
Asian	530	95	270
American Indian, Alaska Native	23	80	0
Pacific Islander	0	0	35
Hispanic	735	120	100

Severe housing problems are defined as one or more of the following: lacking complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%.

Data Source: 2007-2011 CHAS

38. Severe Housing Problems 0 - 30% AMI Percentages (Table)

Severe Housing Problems	Has one or more of four housing problems	As % of Total	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems	Total Households 0-30% AMI (including no income households)
Jurisdiction as a whole	10,275	71.3%	2,360	1,780	14,415
Threshold for Disproportionate Need		81.3%			
White	8,630	73.0%	1,945	1,240	11,815
Black/African American	99	60.7%	4	60	163
Asian	530	59.2%	95	270	895
American Indian, Alaska Native	23	22.3%	80	0	103
Pacific Islander	0		0	35	35
Hispanic	735	77.0%	120	100	955

Severe housing problems are defined as one or more of the following: lacking complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%.

Data Source: 2007-2011 CHAS

**30%-50% of Area Median Income - Consortium**

39. Severe Housing Problems 30 - 50% AMI (HUD Provided Table)

Severe Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	4,370	6,285	0
White	3,670	5,150	0
Black/African American	45	35	0
Asian	275	115	0
American Indian, Alaska Native	45	95	0
Pacific Islander	0	10	0
Hispanic	280	750	0

Severe housing problems are defined as one or more of the following: lacking complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%.

Data Source: 2007-2011 CHAS

40. Severe Housing Problems 30%-50% of Area Median Income Percentages (Table)

Severe Housing Problems	Has one or more of four housing problems	As % of Total	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems	Total Households 30-50% AMI
Jurisdiction as a whole	4,370	41.0%	6,285	0	10,655
Threshold for Disproportionate Need		51.0%			
White	3,670	41.6%	5,150	0	8,820
Black/African American	45	56.3%	35	0	80
Asian	275	70.5%	115	0	390
American Indian, Alaska Native	45	32.1%	95	0	140
Pacific Islander	0		10	0	10
Hispanic	280	27.2%	750	0	1,030

Severe housing problems are defined as one or more of the following: lacking complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%.

Data Source: 2007-2011 CHAS

*50%-80% of Area Median Income - Consortium*

41. Severe Housing Problems 50 - 80% AMI (HUD Provided Table)

Severe Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,465	12,270	0
White	2,085	10,650	0
Black/African American	25	55	0
Asian	30	220	0
American Indian, Alaska Native	10	175	0
Pacific Islander	0	25	0
Hispanic	250	790	0

Severe housing problems are defined as one or more of the following: lacking complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%.

Data Source: 2007-2011 CHAS

42. Severe Housing Problems 50 - 80% AMI Percentages (Table)

Housing Problems	Has one or more of four housing problems	As % of Total	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems	Total Households 50-80% AMI
Jurisdiction as a whole	2,465	16.7%	12,270	0	14,735
Threshold for Disproportionate Need		26.7%			
White	2,085	16.4%	10,650	0	12,735
Black/African American	25	31.3%	55	0	80
Asian	30	12.0%	220	0	250
American Indian, Alaska Native	10	5.4%	175	0	185
Pacific Islander	0	0.0%	25	0	25
Hispanic	250	24.0%	790	0	1,040

Severe housing problems are defined as one or more of the following: lacking complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%.

Data Source: 2007-2011 CHAS

43. Severe Housing Problems 80 - 100% AMI (HUD Provided Table)

Severe Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	720	8,230	0
White	535	7,620	0
Black/African American	0	130	0
Asian	50	120	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	105	245	0

Severe housing problems are defined as one or more of the following: lacking complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%.

Data Source: 2007-2011 CHAS

44. Severe Housing Problems 80 - 100% AMI Percentages (Table)

Severe Housing Problems	Has one or more of four housing problems	As % of Total	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems	Total Households 80-100% AMI
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Jurisdiction as a whole	720	8.0%	8,230	0	8,950
Threshold for Disproportionate Need		18.0%			
White	535	6.6%	7,620	0	8,155
Black/African American	0	0.0%	130	0	130
Asian	50	29.4%	120	0	170
American Indian, Alaska Native	0		0	0	0
Pacific Islander	0		0	0	0
Hispanic	105	30.0%	245	0	350

Severe housing problems are defined as one or more of the following: lacking complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%.

Data Source: 2007-2011 CHAS

### **Disproportionately Greater Need: Severe Housing Problems Additional Discussion**

Black/African American households experience a disproportionately greater need with severe housing problems in both very low-income (30-50% AMI) and moderate income (80-100% AMI) categories. Severe housing problem exist when a household experiences one or more of the following housing problems: lacks complete kitchen facilities, lacks complete plumbing facilities, has over 1.5 people per room, and a housing cost burden over 50%. Both Asian and Hispanic low-income (50-80% AMI) households experience a disproportionate number of severe housing problems. None of the households with extremely low-incomes experienced a disproportionate housing need with severe problems.

## NEEDS ASSESSMENT 25 DISPROPORTIONATELY GREATER NEED: HOUSING COST BURDENS – CONSORTIUM

### Introduction

The cost of housing is considered to be affordable when it is less than 30% of household income. This definition applies both to owners, for whom housing costs include mortgage, principle and interest, property taxes, and insurance, and to renters, for whom housing costs include rent and utilities. Households spending more than 30% of their income towards housing are considered to have a “housing cost burden,” and households spending more than 50% of their income towards housing are considered to have a “severe housing cost burden”.

### Housing Cost Burden

45. Greater Need: Housing Cost Burdens AMI (HUD Provided Table)

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	47,955	17,810	17,325	1,830
White	42,560	15,340	14,685	1,260
Black/African American	480	140	185	60
Asian	1,405	305	935	270
American Indian, Alaska Native	380	200	70	0
Pacific Islander	60	15	0	35
Hispanic	2,090	1,320	1,070	125

Data Source: 2007-2011 CHAS

46. Greater Need: Housing Cost Burdens AMI Percentages (Table)

Housing Cost Burden	Cost burden less than or equal to 30%		Cost burden between 30% to 50%		Severe cost burden greater than 50%		Cost burden greater than 30%		Total (not including no income)
Jurisdiction as a whole	47,955	58%	17,810	21%	17,325	21%	35,135	42%	83,090
Threshold for Disproportionate Need		68%		31%		31%		52%	
White	42,560	59%	15,340	21%	14,685	20%	30,025	41%	72,585
Black/African American	480	60%	140	17%	185	23%	325	40%	805
Asian	1,405	53%	305	12%	935	35%	1,240	47%	2,645
American Indian, Alaska Native	380	59%	200	31%	70	11%	270	42%	650
Pacific Islander	60	80%	15	20.0%	0	0.0%	15	20%	75
Hispanic	2,090	47%	1,320	30%	1,070	24%	2,390	53.3%	4,480

Data Source: 2007-2011 CHAS

## **Disproportionately Greater Need: Housing Cost Burdens Additional Discussion – Consortium**

Hispanic households experience a disproportionately greater incidence of housing cost burden compared to the entire population, with 53% of the Hispanic households paying more than 30% of their income for housing costs. Asian households experience a disproportionately greater incidence of severe housing cost burdens compared to the entire population; 35% of Asian households spend more than 50% of their income on housing costs.

## NEEDS ASSESSMENT 30 DISPROPORTIONATELY GREATER NEED: DISCUSSION – CONSORTIUM

### **Income Categories with Racial or Ethnic Disproportionately Greater Need**

In most income categories, there are racial or ethnic groups which are experiencing a disproportionately greater need than the needs of the income category as a whole. For people with very low-incomes (30-50% MFI), American Indian/Alaskan Native and Black/African Americans experience a disproportionately greater need than the general population. For people with low-incomes (50-80% MFI), Black/African Americans experience a disproportionate level of need. For people with moderate income (80%-100 MFI), Asian, Latino, and Black/African American experience a disproportionately greater need than the income category as a whole.

### **Other Unidentified Needs**

Because of the growth of the Latino community, it is critical to look at needs of this sector of the community. The Livability Lane Consortium developed a report entitled the Latino Public Participation and Community Indicators Project in November 2012. This report identifies many important trends and needs of the Latino community. Nearly 54% of Hispanic households spend more than 30% of their income on housing costs, making the majority of Hispanic households in this community housing cost burdened. Additionally, because of changes in Oregon State Law, many undocumented Latinos have lost their drivers' licenses, and this has created a heavy reliance on public transportation, and an increased number of unlicensed and uninsured drivers. Service providers have also reported a significant problem of wage equity, where undocumented workers are not paid promised wages.

### **Racial or Ethnic Groups in Specific Neighborhoods**

In Eugene and Springfield, there are approximately 13% of the people who identified as a minority race in the 2010 census. There are five census tracts where a higher percentage (17%-23%) of people identified as a minority race. In Eugene, these are along the south side of West 11<sup>th</sup> Ave, east of Highway 99, and tracts near the University of Oregon, and near Gateway Street and Pioneer Parkway in Springfield. Looking separately at the Latino population, 46% of the Latino population lives in 17 census tracts located in two contiguous areas. The first area is located in west Eugene along West 11<sup>th</sup> Ave, Roosevelt Boulevard and Highway 99. The second area is located in Springfield, along Gateway Boulevard, Pioneer Parkway and Main Street. This is illustrated in the map [Areas of Concentration of Minority and Latino Population](#).

## NEEDS ASSESSMENT 35 PUBLIC HOUSING – CONSORTIUM

### Introduction

In January 2014, the Lane Livability Consortium released a report outlining the needs of affordable housing residents including residents of public housing. The greatest needs expressed included increased access to affordable units, improved sense of security and safety, increased food security, health care and legal assistance, financial literacy education, living wages, and affordable public transit.

#### 47. Public Housing by Program Type – Consortium (HUD Provided Table)

Program Type	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							VA Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	695#	2,685	0	2,556	156	0	0

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Table is updated to show data from HACSA 5/8/2015

### Characteristics of Residents – Consortium

#### 48. Characteristics of Public Housing Residents by Program Type (HUD Provided Table)

Program Type	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							VA Supportive Housing	Family Unification Program	
Average Annual Income	0	0	11,851	10,391	0	10,314	11,120	0	
Average length of stay	0	0	7	6	0	7	0	0	
Average Household size	0	0	1	2	0	2	1	0	
# Homeless at admission	0	0	0	0	0	0	0	0	
# of Elderly Program Participants (>62)	0	0	182	504	0	495	6	0	
# of Disabled Families	0	0	299	1,054	0	1,007	35	0	
# of Families requesting accessibility features	0	0	695	2,712	0	2,646	41	0	
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0	

Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project-based	Tenant-based	Special Purpose Voucher	
							VA Supportive Housing	Family Unification Program
# of DV victims	0	0	0	0	0	0	0	0

Data Source: PIC (PIH Information Center)

## Race of Public Housing Residents – Consortium

### 49. Race of Public Housing Residents by Program Type (Table)

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	654	2,485	0	2,424	37	0	0
Black/African American	0	0	18	105	0	103	1	0	0
Asian	0	0	6	38	0	38	0	0	0
American Indian/Alaska Native	0	0	16	77	0	74	3	0	0
Pacific Islander	0	0	1	7	0	7	0	0	0
Other	0	0	0	0	0	0	0	0	0

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

## Ethnicity of Residents – Consortium

### 50. Ethnicity of Public Housing Residents by Program Type (Table)

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	46	138	0	136	0	0	0
Not Hispanic	0	0	649	2,574	0	2,510	41	0	0

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

## **Needs of public housing tenants and applicants on the waiting list for accessible units – Consortium**

There are a total of 705 public housing units. With over 2,100 people on the waiting list, the most critical need of the people is access to affordable housing. The most pressing needs for this population is job training that leads to family wage incomes, subsidized child care and food security issues.

As of January 2015, 683 of these units were leased. None of the current public housing tenants have a need to transfer to an accessible unit. There are currently 37 fully-wheelchair-accessible units, or 5.25% of public housing units. On the public housing waiting list, 3.5% of those waiting have expressed the need for a wheel-chair accessible unit. Typically there are plans to convert an additional 1-3 units to wheel-chair accessible units each year.

## **Type and number of families on the waiting lists for public housing and Section 8 Tenant-Based Rental Assistance - Consortium**

### ***One Bedroom Units***

One-bedroom applicants are the most underserved. They usually live on SSD/SSI only and cannot afford market rents. At the same time, there appears to be a serious lack of affordable income-based housing for this population in the Eugene/Springfield metropolitan area. Waiting list: 957 Estimated Wait Time: Up to five years

### ***Two-Bedroom Units***

The typical 2-BR applicant is a single parent, usually female, who lives on a low-paying job, or on TANF. She cannot afford market rents, but usually has no choice. Most of the 2-BR applicants have rented, but they pay far more than 30% of their income for rent and utilities. After the 1-BR population, the 2-BR families seem to have the greatest need. Waiting list: 939 Estimated Wait Time: Up to three years

### ***Three-Bedroom Units***

Three bedroom applicants are harder to assess. Based on the different waiting lists for two and three bedroom units, it is assumed that there are either a lower number of applicants who need 3 bedrooms, or they have sufficient income or resources and are not seeking HACSA's rental subsidy. Waiting list: 177 Estimated Wait Time: Up to one year

### ***Four-Bedroom Units***

It is difficult to assess the needs of families on this list. There may be less demand, or larger families may be discouraged from applying because of the very limited supply of 4 bedroom public housing units. Waiting List: 56 Estimated Wait Time: Numerous years, but Incalculable, due to low supply.

### ***Section 8 Housing Choice Voucher Waiting List***

The Section 8 waiting list will be reopened for eight days in 2015, accepting online applications only. It is anticipated that HACSA will receive approximately 2,500 applications in that 8-day period. Applicants for Section 8 housing assistance include: single individuals, non-disabled, disabled, elderly, non-elderly, as well as families.

### **How the Needs Compare to Housing Needs of Population at Large – Consortium**

The population served in public housing is all extremely or very low-income. Their needs match the needs of the overall extremely or very low-income population, however they have access to affordable housing and supportive services.

### **Public Housing Additional Discussion – Consortium**

With the existing and mounting waiting lists, it is clear that there is insufficient number of public housing units of all sizes in the Eugene and Springfield area. Additionally, there is insufficient affordable housing for this population to move in to, resulting in limited turn-over of units.

## NEEDS ASSESSMENT 40 HOMELESS NEEDS ASSESSMENT – CONSORTIUM

### Introduction

Homelessness remains a significant challenge for the Cities of Eugene and Springfield. The Point in Time Count for 2015 is 1,473, including 716 without shelter. Additionally, 9,856 homeless individuals accessed services from Lane County-funded providers in 2012. The three public school districts in Eugene and Springfield (4J, Springfield and Bethel), identified 1,616 homeless youth during the school year 2013-2014.

### Homeless Needs Assessment Table – Consortium

51. Number of Homeless Persons (Table)

	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days person experience homelessness
	Unsheltered	Sheltered				
Persons in Households with Adult(s) and Child(ren)	72	151	1,893	Unknown	130	Unknown
Persons in Households with Only Children	13	10	105	Unknown	2	Unknown
Persons in Households with Only Adults	631	596	10,507	Unknown	500	Unknown
Chronically Homeless Individuals	379	318	1,000	Unknown	400	Unknown
Chronically Homeless Families	10	8	30	Unknown	30	Unknown
Veterans	100	110	1,200	Unknown	238	Unknown
Unaccompanied Youth	13	10	105	Unknown	2	Unknown
Persons with HIV	2	1	8	Unknown	8	Unknown

**DATA SOURCES:**

DB: Lane County/Portland ServicePoint HMIS

Homeless in a year based on 01/01/2014-12/31/2014 HMIS data and for all household types : 12505 individuals. (9007 singles)

Unsheltered and Sheltered 2015 Point in Time Count

# of days homeless data not collected for all projects and not collected prior to 10/01/2014 and not collected as days but as number months in which the person was homeless at least one day (HUD Data Standards).

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Sheltered includes Emergency Shelters and Transitional Housing for Homeless persons projects

## **Amount of Homeless Population that is Rural - Consortium**

The jurisdiction has no rural homeless population.

## **Describe Categories for Each Homeless Population Type - Consortium**

During Calendar year 2014, 11,668 individuals who were homeless, sought social services through Lane County Human Services funded programs. During the previous year, there were 9,856 homeless individuals.

According to the Lane County Homeless Coordinated Entry Waitlist data:

In calendar year 2014:

- 38 literally homeless households with children moved from the Transitional Housing wait list to Transitional Housing.
- 5 Chronically homeless households with children moved from the Permanent Supportive Housing wait list to Permanent Supportive Housing.

From September 1, 2014-March 1, 2015:

- 9 literally homeless households without children moved from the Transitional Housing wait list to Transitional Housing.
- 12 chronically homeless households without children moved from the Permanent Supportive Housing wait list to Permanent Supportive Housing.

**Chronically homeless individuals and families** experience long-term and/or repeated episodes of homelessness coupled with disability. In the 2015 Homeless Point in Time Count 697 were chronically homeless, of those 379 were unsheltered. Since the 2013 Point in Time Count, this is an increase of 81% in the total number of chronically homeless and 51% in the number unsheltered (2013 Total – 385, Unsheltered – 245)

**Families with Children** During the 2015 Point in Time Count, there were 223 family members with children experiencing homelessness. During the 2013 Count, there were 347 in family members with children experiencing homelessness.

**Veterans and their Families:** Veterans often become homeless due to war-related disabilities. Issues include physical disability, mental health and post-traumatic stress, etc. create barriers to housing stability. Challenges can lead to addiction, abuse, and violence and coupled with the above barriers, can lead to homelessness. The Supportive Services for Veterans Families (SSVF) Plan (2014) provides the following veterans homelessness data:

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There were 1,235 homeless veteran households in a calendar year, with 63% presenting with disabilities. Based on the 2015 Homeless Point in Time Count, there were 210 homeless veterans (110 sheltered, 100 unsheltered). This compares to the 2013 Point in Time Count of 229 veterans (78 sheltered, 151 unsheltered). SSVF staff report that veterans' households have been homeless for approximately for 9 months when they present for services.

**Unaccompanied Youth:** The following in data from our local homeless youth services program, Looking Glass Youth and Family Services:

The program's access center completed 181 new intakes with unaccompanied youth last year. The Street Outreach Teams reported 317 new self-identified homeless youth. There is duplication between these two data collection elements. Anecdotally, staff indicated that generally youth were homeless three months or more before presenting for services. Based on funding resources, the agency is able to provide housing assistance to 59 youth per year.

### **Estimate the Number and Type of Families in Need of Housing Assistance for Families with Children and the Families of Veterans**

As of February 2015, Lane County had 25 families with children on the Central Housing wait list, including single-parent and two-parent households. Some have extended family members included in the household as well. The average wait time for families with children on the list is 3 months, but some of these households have been on the list for 6 months. The wait list provides entry into a variety of housing programs, each with specific eligibility guidelines. Of the 25 families on the list, 3 are veteran families. These households have been assessed by service providers in the community who have determined that they need permanent supportive housing.

Homeless Families with veterans have the following specific housing needs; there are insufficient permanent supportive housing program slots and enough affordable housing units and SRO's. Our community lacks harm reduction/ low barrier housing for veterans who are still actively using and need stable housing to address the challenges in a safe place. There are challenges in finding landlords willing to rent to vets who are dual diagnosis and chronically homeless and in finding emergency shelters who will provide temporary shelter to this population. Of the 25 families on the list, 3 are veteran families. These households have been assessed by service providers in the community who have determined that they need permanent supportive housing.

## **Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

Based on the point in time count in 2013, the homeless Latino population (9%) is proportionately similar to the Lane County population (8%). Looking at race, there are disproportionately fewer white homeless people (81%), compared to the County population (90%). The majority of this difference is seen in people who identify as multi-racial, with 8% homeless population, and 4% county-wide population.

## **Describe the Nature and Extent of Unsheltered and Sheltered Homelessness**

During the 2015 Point in Time Count, 1,473 persons were identified as homeless. This includes:

- 101 individuals living in Transitional Housing
- 656 individuals staying in Emergency Shelter
- 716 unsheltered people (camping, living in cars, bridges)
- 757 sheltered people
- 223 family members in homeless households with children (72 unsheltered)
- 697 chronically homeless people, with a disabling condition (379 unsheltered)
- 210 homeless veterans (100 unsheltered)
- 398 severely mentally ill (229 unsheltered)

## **Homeless Needs Assessment Additional Discussion**

The Eugene and Springfield area have a continuing challenge with homelessness. Homelessness and poverty are inextricably connected. While homelessness has other contributing factors such as mental illness and substance abuse, poor people with these issues are much more likely to become homeless than persons with similar disabilities and a higher income. From 2010 to 2012, there was a 22% increase in the number of homeless students served by the public schools in Lane County

## NEEDS ASSESSMENT 45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT - CONSORTIUM

### **Introduction – Consortium**

This section, to the extent practicable describes the housing needs of persons who are not homeless but require supportive housing.

Limited reliable data exists to determine the number of individuals in various special needs subpopulations within the cities of Eugene and Springfield. The primary sources of data include the 2013 Oregon Housing and Community Services Housing Profile (Profile) which estimates the number of persons in various subpopulations within Lane County that may have special needs for housing and supportive services, and the Equity and Opportunity Assessment. Other sources used are cited.

### **Describe the Characteristics of Special Needs Populations in your Community – Consortium**

This section is to provide a narrative summary describing the characteristics of special needs populations in the community.

#### ***Alcohol and Drug Addiction***

Specialized drug/alcohol-free transitional and permanent housing with supportive drug counseling and therapy services is a high priority need for this population.

#### ***College Students***

There are a significant number of independent students at the local colleges with unique housing and supportive service needs. The portion of this population that are independent, with low incomes or coming from low-income families need access to affordable, quality housing, in close proximity to the university.

#### ***Domestic Violence***

People fleeing from domestic violence have an increased need for security including assurances that their identity and whereabouts will not be disclosed. Permanent housing for this vulnerable population needs to be developed with security and anonymity as primary considerations, along with affordability.

#### ***Elderly / Frail Elderly***

Many elderly are able continue to live in their own homes or rent units within the private market or live in general purpose subsidized affordable housing developments that have not been designated for a particular population.

### ***Ex-Offenders***

Many ex-offenders leave the prison system without a job or reasonable prospects of a job, no recent rental history, limited credit, and no money for deposits. These residents need case management, transitional housing, employment and drug counseling, in addition to affordable housing.

### ***Foreclosure or Eviction***

This population needs access to affordable housing, financial stability education, and supportive services to risk of foreclosure or eviction or to assist with recovery from foreclosure or eviction.

### ***HIV/AIDS:***

As long-time survivors deal with the ongoing financial impact of HIV/AIDS, housing and support services become critical to their ability to meet basic needs, such as shelter, food and health care.

### ***Physical and/or Mental Disabilities***

A 2002 year-long project produced by National Public Radio reported that people with mental illness leaving acute or chronic care facilities without adequate provisions for their housing or support tend to end up sliding into homeless shelters or the criminal justice system. The costs of developing housing for persons with physical disabilities tend to be more costly to build and maintain than standard units, with design requirements adding to the construction costs.

### ***Veterans***

Many veterans experience mental and physical disabilities, including post-traumatic stress, brain injury and in some cases, isolation from family and/or the broader community, which undermines their ability to maintain housing.

### ***Youth***

The youth in poverty in Eugene and Springfield need access to affordable quality housing. Some families will need quality child care, access to transit, and food security.

### ***Youth Aging Out of Foster Care***

When youth in foster care turn 18, they are released from state custody, leaving them without family or state support. These youth need access to affordable, appropriate housing and supportive services to allow them to transition to successful independence.

## **Housing and Supportive Housing Needs of Special Needs Populations – Consortium**

### ***Alcohol and/or Drug Addiction***

The Profile identified 5,558 persons with drug and/or alcohol addictions living in Lane County in need of housing and supportive services. Recovering addicts may best be served by living in a strictly controlled environment among peers with similar addiction issues, and with ready access to supportive services.

### ***College-Age Students***

There are approximately 4,000 students living in residence halls on campus at the University of Oregon (UO), and over 20,000 students living off campus.<sup>34</sup> Of the UO undergraduate students enrolled for 2013-2014, 25% (5,414) received PELL grants, which is an indicator financial need.<sup>35</sup> There is a new food bank at UO serving students which started in 2011. The number of students served weekly has increased from 45 in 2013 to approximately 100 as of February 2015.

### ***Domestic Violence***

The Profile identifies 135 victims of domestic violence in Lane County in need of housing and supportive services. Permanent affordable housing for this extremely vulnerable population is needed with security and anonymity as primary considerations.

### ***Elderly / Frail Elderly***

The Profile identifies around 13,388 elderly and frail elderly persons living in Lane County in need of housing and supportive services. Of these, 1,606 are estimated to be frail elderly.

### ***Ex-Offenders***

The Profile identified 514 released prison offenders needing housing in Lane County. Returning to their former living situation may expose them to the environment that caused them to be incarcerated. At the time of arrest, approximately two-thirds of people have housing, and that upon release, nearly two-thirds have no stable appropriate housing.<sup>36</sup>

### ***Foreclosure or Eviction***

In Lane County, 24% of households have insufficient net worth to subsist at the poverty level for three months without income.<sup>37</sup> 87% of low-income renters and 24% of low income home owners are housing cost burdened, paying 30% or more of their income for housing. In 2011 in

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<sup>34</sup> University of Oregon, UO Facts, Fall 2014

<sup>35</sup> University of Oregon, Local Community and Neighborhood Relations

<sup>36</sup> Consultation with Sponsors, Inc

<sup>37</sup> Assets and Opportunity Local Data Center, 2014 Assets and Opportunity Scorecard

Lane County, there were 1,938 cases where landlords took action against their tenants, most frequently resulting in eviction. Approximately 100 people per month in Lane County enter the Oregon Foreclosure Avoidance Program.

### ***HIV/AIDS***

The Profile indicates that approximately 281 people living with HIV/AIDS in Lane County are in need of housing and supportive services. As long-time survivors deal with the ongoing financial impact of HIV/AIDS, housing and support services become critical to their ability to meet basic needs.

### ***Physical and/or Mental Disabilities***

The Profile identifies 8,227 persons living with a disability in Lane County are in need of housing and supportive services. 5,582 are chronically mentally ill while the remainder has developmental disabilities (1,805) or physical disabilities (840).

### ***Veterans***

In 2014, the Veterans' Administration identified 30,519 veterans in Lane County. 1,374 homeless veterans were been served by Lane County-funded programs between July 2014 and May 2015.

### ***Youth***

In Eugene and Springfield, 23% of the youth under age 18 are living below the poverty level.<sup>38</sup> Of all renter households with children, 71% are low income, with less than 80% of the median income.

### ***Youth Aging Out of Foster Care***

There are 1,100 children in foster care in Lane County, the highest rate in the Oregon. According to Oregon State Department of Human Services, after age 18, 50 youth were released from foster care in 2014. Homelessness among this population is estimated at between 11% and 37%.<sup>39</sup>

## **Non-Homeless Special Needs Additional Discussion – Consortium**

The Eugene and Springfield communities benefit from a strong network of housing and service providers that work well to plan for and meet the needs of special needs populations. However,

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<sup>38</sup> 2009-2013 ACS 5-Year Estimates

<sup>39</sup> Housing for Youth Aging out of Foster Care, HUD, 2014

as comprehensive as these service and housing offerings are, there remain gaps, especially in the availability of housing that both meets a set of special needs, and is affordable.

## NEEDS ASSESSMENT 50 NON-HOUSING COMMUNITY DEVELOPMENT NEEDS – EUGENE

### **Describe the Jurisdiction’s Need for Public Facilities**

The term ‘public facilities’ is broadly defined by HUD to include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a nonprofit and operated so as to be open to the general public. Such facilities do not include permanent housing, but do include various types of residential facilities such as emergency shelter or special needs facilities. Eugene has identified a need of assisting nonprofit facilities serving low-and moderate-income persons.

The City of Eugene relies upon a network of nonprofit organizations to provide basic human services. The vast majority of services require appropriate capital facilities, and in many cases inadequate facilities can limit the agency’s ability to provide appropriate services. In the past, the City of Eugene has assisted nonprofits with capital improvements, and proposals are solicited through the CDBG allocation process.

#### ***How Public Facility Needs Were Determined***

A survey of providers was conducted where needs were identified. Additionally, information about specific agency needs was gained in individual consultations.

### **Describe the Jurisdiction’s Need for Public Improvements**

Public improvements are eligible CDBG activities under certain conditions. Eugene’s sidewalk system includes over 700 miles of sidewalks and pedestrian ways. Approximately 7,000 curb ramps offer access to public facilities, businesses, transit stops, parks and pedestrian cross walks. In addition to curb ramps, there is a need for Accessible Pedestrian Devices at existing signalized intersections.

#### ***How Public Improvement Needs were Determined***

This information was gathered through a survey of indirect service providers, including government providers.

### **Describe the Jurisdiction’s Need for Public Services**

A limited portion of CDBG funds may be used to address a variety of public services that benefit low- and moderate-income persons. The need for these services is well established. A 2009 Community Assessment from United Way of Lane County found that more households are reporting financial hardships in affording basic services and goods than in any previous other study. The Cities of Eugene and Springfield and Lane County work collaboratively to address anti-poverty and homelessness. The Lane County Human Services Division has conducted an Consolidated Plan - Needs Assessment

assessment of the region's human service needs and identified five goals, based on their analysis of the community needs:

- **Reduce homelessness** among the most vulnerable populations such as the disabled, veterans, youth, domestic violence victims and families and promote social inclusion.
- **Promote and ensure nutrition and food security** among the elderly, the disabled, children, families and individuals.
- **Strengthen families** by support of at-risk parents to acquire the skills to provide a safe and stable environment for their children and address parents' health, behavioral, educational, financial, and employment issues for self-reliance.
- **Increase self-sufficiency for families and individuals in need** to include: veterans and their families, persons with disabilities, and at-risk and homeless families and individuals; assisting them to receive basic needs services, disability, health care benefits, energy assistance, access to housing, education and employment and income supports.
- **Improve service quality** to include an emphasis on: improving the consumer's experience, coordination of service assessments, service referrals, data integrity, resource management, and the evaluation of services.

#### ***How Public Service Needs Were Determined***

Several consultations were held with Lane County Human Services staff, the Human Services Commission and the Poverty and Homelessness Board. Much of the information was also gathered from the Human Services Fund Priorities for FY 2015 – FY 2017, from Lane County Human Services.

# Housing Market Analysis

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## MARKET ANALYSIS 05 OVERVIEW – EUGENE

### **Housing Market Analysis Overview**

The Housing Market Analysis section looks at housing supply, demand, condition, and cost of housing as part of assessing the housing needs in the community. Information collected through public participation, community consultations, and direct and indirect provider consultations were used along with quantitative data in these sections to identify needs in the community for prioritization within this plan.

For purposes of the Consolidated Plan, HUD provided data from the 2007-2011 Census ACS estimates and special tabulation Comprehensive Housing Affordable Strategy (CHAS) data. The CHAS data is provided by the US Census to HUD for housing need data. Where available, the City has provided supplemental data as an update or in addition to the data provided by HUD. A data source is provided for charts and tables.

### ***Housing Characteristics***

Median home value in the two cities has increased 37% since 2000, and median contract rent has increased 38% in same period. This compares to an increase of only 16% in the average median income. The distribution of renter and owner occupied units by size in the cities of Eugene and Springfield have overall stayed the same since 2000. The percentage of single family and multi-family units has stayed the same since 2000, with 63% single family, 31% multi-family and 5% other. After the 2008 recession, the regional housing market experienced a steep decline in building permit activity, but during the years 2010 to 2013 the number of multi-family developments increased substantially from 86 to 739 permits, the majority of which (733 units) were in Eugene.

### ***Assisted and Public Housing***

A variety of assisted housing developments are currently available and serving low-income persons in the cities of Eugene and Springfield. There are a total of 4,452 assisted housing units in 118 developments in both cities. There are 708 public housing units Lane County, and 494 in Eugene and Springfield.

### ***Facilities and Services for Homeless Populations***

There are a total of 539 emergency shelter beds, 106 transitional housing beds, and 588 permanent supportive housing beds in the community, excluding overflow capacity. The service delivery system is carried out largely by the non-profit agencies, which provide a wide array of

services to people experiencing homelessness. The majority of the emergency shelter beds (411) are provided by The Eugene Mission, but there are several facilities for specific populations, including youth, families and victims of domestic violence.

***Special Needs Housing***

There are many agencies in the area that offer housing and supportive services to meet the needs of special needs populations, including people who are elderly or frail elderly, people with mental, physical and/or developmental disabilities, people with alcohol or other drug addictions, victims of domestic violence, youth, youth aging-out of foster care, college-age students, veterans, and individuals and their families living with HIV/AIDS. There are multiple gaps in meeting the housing needs of these populations.

## MARKET ANALYSIS 10 NUMBER OF HOUSING UNITS – CONSORTIUM

### Introduction

In 2010, there were 94,760 total housing units in the cities of Eugene and Springfield, representing 61% of the total housing stock in Lane County in 2010,<sup>40</sup> with approximately three-quarters (74%) of the housing units located in Eugene. Housing in the region is evenly split between renters (49%) and owners (51%).<sup>41</sup> The majority of housing (63%) is single family and 31% is multi-family housing, with the remaining housing mobile homes or other types of units.

The area's housing supply grew quite slowly during the 1980's and then more rapidly during the 1990's. Between 2000 and 2010, growth in the overall housing stock continued, but at a moderate pace of 14% which roughly mirrors the population increases of 13% for the cities of Eugene and Springfield. The recession of 2008 had a large impact on the housing market and residents. Also, the construction of housing focused on university and college students has increased, creating a greater supply of higher cost renter based housing.<sup>42</sup> This change is reflected in an increase in multi-family housing permits, and decrease in single family permits.

The City of Eugene's *Envision Eugene* growth plan projects the growth of 15,000 new homes in the next 20 years and recommends a mix of housing options including increasing the proportion of multi-family housing in the community.<sup>43</sup> In particular, the Plan calls for more affordable multi-family housing for low- and moderate-income families and individuals, and denser multi-family development along employment and transit corridors.<sup>44</sup> This plan predicts that new construction will be 55% single family and 45% multi-family.<sup>45</sup>

The City of Springfield's *2030 Comprehensive Plan's Residential Land Use and Housing Element* identifies the need to accommodate about 5,920 new units between 2010 and 2030. The projected housing mix needed to accommodate these additional units will be 60% single family types and 40% multi-family.<sup>46</sup> The Plan identifies locating higher density residential development and increasing the density of development near employment or commercial

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<sup>40</sup> US Census Bureau, 1990 Census of Population and Housing, Census 2000, DP1; Census 2010, DP1

<sup>41</sup> ACS 2011-2013

<sup>42</sup> U.S. Department of Housing and Urban Development. Office of Policy Development and Research. Comprehensive Housing Market Analysis, 2013 Eugene-Springfield, Oregon.

<sup>43</sup> City of Eugene, *Envision Eugene, Provide Housing Affordable to All Income Levels*, <http://www.eugene-or.gov/index.aspx?nid=760>

<sup>44</sup> City of Eugene, *Envision Eugene, Executive Summary*, <http://www.eugene-or.gov/index.aspx?nid=760>

<sup>45</sup> City of Eugene, *Envision Eugene, Provide Housing Affordable to All Income Levels*, <http://www.eugene-or.gov/index.aspx?nid=760>

<sup>46</sup> City of Springfield, *Springfield 2030 Comprehensive Plan, Residential Land Use and Housing Element*  
<http://www.springfield-or.gov/dpw/2030Plan.htm>

services and along corridors served by frequent transit service, such as Downtown, Gateway, and the Glenwood Riverfront/Franklin Corridor.

## All residential properties by number of units – Consortium

52. Renter and Owner Residential Properties By Number Of Units (Table)

	2000	% Total Units	2009-13	% Total Units
1- unit detached	42,967	55%	50,319	56%
1- unit attached	5,568	7%	6,155	7%
2-4 units	7,902	10%	8,793	10%
5-19 units	8380	11%	10094	11%
20 or more	8,764	11%	9,358	10%
Mobile Home	4,824	6%	4,609	5%
Other (Boat, RV, Van, etc.)	71	0%	118	0%
<b>Total Occupied Units</b>	<b>78,476</b>		<b>89,446</b>	

Data: Census 2000, Table H32; ACS 2009/13, Table B25032

## Unit Size by Tenure – Consortium

53. Unit Size by Tenure Over Time (Table)

	2009-13	
<b>Owner occupied:</b>	<b>45,354</b>	<b>% Owner</b>
No bedroom	127	0%
1 bedroom	537	1%
2 bedrooms	8,788	19%
3+ bedrooms	35,902	79%
<b>Renter occupied:</b>	<b>44,092</b>	<b>% Renter</b>
No bedroom	2,627	6%
1 bedroom	9,703	22%
2 bedrooms	18,505	42%
3+ bedrooms	13,257	30%

Data Source: ACS 2009-13, Table B25042

## Number of Housing Units Narrative Questions

### *Number and targeting of units assisted with federal, state, and local programs - Consortium*

Eugene and Springfield have numerous long-term affordable housing developments constructed with federal, state funding. The funding requires different terms of affordability.

There are at total of 4,452 assisted housing units in 113 developments in both cities, including projects subsidized with Section 8, Low-Income Housing Tax Credits, or other project-based subsidies. Eugene and its urban growth boundary has a total of 3,516 units in 83 developments

and Springfield and its urban growth boundary has 866 units in 28 developments. There are 708 public housing units in Lane County.

Of the assisted and affordable units, 1,200 serve the elderly, 2,522 that serve families, 330 that serve people experiencing homelessness, 59 that serve people with drug or alcohol addiction, 149 that serve community college students, 35 that serve people with HIV/AIDS, 487 that serve people with developmental or physical disabilities, 40 that serve veterans, 830 that serve people with general disabilities, 151 that serve people with chronic mental illness, and 2,790 serve a general population or general population with families. All of the units identified are for people with an area median income of 60% or below.

***Assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts. – Consortium***

Preservation of existing affordable housing stock is an ongoing priority and staff will work with statewide organizations that track properties at-risk of leaving the affordable housing stock to identify and prioritize projects for investment. HOME funds may be used for acquisition of existing developments including at-risk subsidized housing units. In addition, the City of Eugene's CDBG Housing Rehabilitation Fund is another source of funding to preserve existing affordable housing. Staff are not aware of any units that are not planning to renew their Section 8 contracts in the next five years and will continue to outreach to and work with owners to retain affordable units. In the past Consolidated Plan period, the City of Eugene provided HOME funds to enable acquisition of Hawthorn at 29<sup>th</sup> Place Apartments by HACSA and also committed CDBG funds to support rehabilitation of Olive Plaza Apartments (Section 202).

Jurisdictional staff have been engaged in statewide and local conversations regarding housing preservation. While there is a significant interest in supporting housing preservation however declining federal resources will require property owners to augment available funding with other state and private resources.

Multiple affordable housing developers have initiated reviews of their aging portfolios with the intention of preserving as many units as possible. HACSA has received initial approval for the Rental Assistance Demonstration to sell 112 scattered site public housing units to capitalize rehabilitation of aging public housing units. The 112 scattered site units will be replaced using Project Based Rental Assistance in new construction with units of similar size.

***Assessment of availability of housing units to meet the needs of the population - Consortium***

Based on cost burden data, incidence of homelessness, waitlist information for housing, and on information received during consultations, there is insufficient affordable housing of all types to meet the needs of the population.

### ***Needs for specific types of housing - Consortium***

Housing providers that serve primarily single adults noted a shortage of rental and owner-occupied small units. This is supported by the wait list information of those providers. HACSA identified 975 people on their list for one bedroom units, with a wait up to five years. Housing providers that serve primarily families and larger households noted a shortage of rental and owner occupied larger units. This is supported by their wait list information. HACSA identified 939 people on the wait list for two-bedroom units, with a wait time of up to three years, 177 people on the three-bedroom wait list, with a wait of up to a year, and 56 people on the four-bedroom wait list, with an unknown wait list time.

### **Number of Housing Units - Additional Discussion - Consortium**

While housing construction continues in the region, much of this housing has been high-end housing targeted to college students. There have been assumptions that this new housing will create capacity in the remaining affordable housing stock, as the students move into that housing, although observations from the housing providers consulted have not supported this assumption. Additional market analysis would be needed to assess the impact of this housing. Additionally, there is anecdotal evidence that the pricing of newly vacant units has increased, to match the higher price of the newer high-end student housing.

This community has a significant gap between average income and housing costs. This gap most acutely affects the low-income population, and results in critical needs for more affordable housing. Additionally, the high housing costs negatively affect developers' ability to acquire and build affordable housing.

## MARKET ANALYSIS 15 HOUSING MARKET ANALYSIS: COST OF HOUSING — CONSORTIUM

### **Introduction**

This section analyzes the cost of housing for residents, and includes additional analysis and data about the following topics:

#### ***Cost of Housing***

Median home value in the two cities has increased 37% since 2000, and median contract rent has increased 38% in same period. This compares to an increase of only 16% in the average median income. Used in combination with other income data, monthly housing expenses is an indicator to assess housing affordability and/or housing costs.<sup>47</sup>

Median monthly renter costs provide information on monthly expenses for renter households. These expenses typically include gross rent and utilities such as power, water, and garbage. For comparison, the 2014 Fair Market Rents published by HUD list \$834 for a two bedroom and \$1,200 for a three bedroom in Lane County.

The National Low-Income Housing Coalition (NLIHC) has outlined the relationship between area housing costs and the income required to afford that housing. In Lane County, the 2014 estimated mean (average) renter wage was \$11.04 an hour. In order to afford the fair market rent for a two-bedroom apartment (\$834) at this wage, a renter must work 58 hours per week.<sup>48 49</sup>

#### ***Housing by Tenure***

Of rental units, 42% are for two bedroom units, 30% are three or more bedrooms, and the remaining 28% are either no or one-bedroom units. Of all owner occupied residences, 79% are three bedroom or greater, 19% are two bedroom, and 1% are no or one bedroom units.

#### ***Fair Market Rents***

Fair market rents is a term defined by HUD as “the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market”<sup>50</sup> Median

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<sup>47</sup> US Census Bureau, American Community Survey and Puerto Rico Community Survey. 2011 Subject Definitions.

<sup>48</sup> NLIHC Out of Reach 2013, Full Report. Where the Numbers Come From User's Guide.

[http://nlihc.org/sites/default/files/oor/2013\\_OOR.pdf](http://nlihc.org/sites/default/files/oor/2013_OOR.pdf)

<sup>49</sup> NLIHC Out of Reach 2013, Full Report. Where the Numbers Come From User's Guide. Oregon

<sup>50</sup> 24 CFR 888

rents for Eugene (\$864) and Springfield (\$798) are close to the fair market rent for a 2 bedroom of \$834.

### ***Housing Affordability***

The HUD Median Family Income (HAMFI) for the Eugene Springfield area in 2014 was \$55,200.<sup>51</sup> For extremely low-, very low, and low-income households earning less than 80% HAMFI, it is very difficult to find any affordable housing. For instance, for a four-person very low-income household, affordable monthly housing costs would be \$690, well below the \$834 fair market rents for a two-bedroom apartment.<sup>52</sup>

### ***Housing Inventory***

62% of the housing in the area was built before 1980. Vacancy rates remain low, at 2% for Eugene owner-occupied and rental housing, and 2% in Springfield for owner-occupied housing and 3% for renter units.

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<sup>51</sup> HUD FY 14 Median Income <http://www.huduser.org/portal/datasets/il.html>

<sup>52</sup> NHLIC Data Model, HUD 2014 Area MFI \$58,200. Formula: HUD Income limit, divide by 12 for months, then multiply by .3 for 30% to derive the 30% of income spent on housing.

## Cost of Housing – Consortium

### 54. Cost of Housing (Table)

Eugene	Base Year:	Most Recent Year:	% Change
	2000	2011-2013	
Median Home Value	\$52,000	\$208,400	37.1%
Monthly Owner Costs (with mortgage)	\$1,129	\$1,565	38.6%
Monthly Owner Costs (without mortgage)	\$323	\$505	56.3%
Median Contract Rent	\$621	\$864	39.1%

Springfield	Base Year:	Most Recent Year:	% Change
	2000	2011-2013	
Median Home Value	\$117,500	\$162,000	37.9%
Monthly Owner Costs (with mortgage)	\$948	\$1,282	35.2%
Monthly Owner Costs (without mortgage)	\$252	\$403	59.9%
Median Contract Rent	\$582	\$798	37.1%

Data: Census 2000, DP4; ACS 2011-13 DP4

### *Rent Paid – Consortium*

#### 55. Rent Paid (HUD Provided Table)

	Number	%
Less than \$500	9,082	20.6%
\$500-999	29,191	66.3%
\$1,000-1,499	4,215	9.6%
\$1,500-1,999	957	2.2%
\$2,000 or more	567	1.3%
Total	44,012	100.0%

Data Source: 2007-2011 ACS

### *Median Home Value and Monthly Owner Costs*

#### 56. Median Home Value and Monthly Owner Costs (Table)

2011-13	State	Eugene	Springfield
Median Home Value	\$228,700	\$208,400	\$162,000
Monthly Owner Costs (with mortgage)	\$1,557	\$1,565	\$1,282
Monthly Owner Costs (without mortgage)	\$457	\$505	\$403
Median Contract Rent	\$877	\$864	\$798

Data: ACS 2011-13 DP4

## Housing Affordability - Consortium

### *Affordability of Housing Units*

57. Affordability of Housing Units (Table)

Number and % Units affordable to Households earning:	Renter	Owner
30% HAMFI	1,420	na
50% HAMFI	5,880	1,660
80% HAMFI	23,720	4,475
100% HAMFI	na	7,205
Total	31,020	13,340

Data Source: 2007-2011 CHAS

### *Monthly Rent – Consortium*

58. Monthly Rent (Table)

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	\$496	\$ 621	\$834	\$1,200	\$1,409
High HOME Rent	\$496	\$ 621	\$834	\$967	\$1,060
Low HOME Rent	\$496	\$ 555	\$666	\$770	\$858

Data: FMR 2014; HOME rent limits: 2014

## Housing Affordability Narrative Questions

### *Is there sufficient housing for households at all income levels – Consortium*

There is not sufficient affordable housing for households at all income levels. Extremely low-income and renters have relatively few affordable housing options available. In particular, for renters earning less than 30% of HAMFI, only 1,420 units are considered affordable. The lack of affordable housing for extremely low-income renters can create barriers to opportunities for residents, not just quality and healthy housing, but limit residents' access to community services, transportation, education, and health services.

### *How is affordability of housing likely to change considering changes to home values and/or rents? - Consortium*

Home values continue to increase making ownership more expensive and harder to maintain. While there are more multi-unit renter properties being built, many are oriented towards college populations and are not affordable to lower income residents. Other market rate housing is out of reach for lower income residents.

***How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing? - Consortium***

Fair market rents is a term defined by HUD as “the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market”<sup>53</sup> The median rents for Eugene (\$864) and Springfield (\$798) are around the fair market rent for a 2 bedroom of \$834, however, an analysis of income and housing affordability tells another story.

In its 2014 publication, *Out of Reach*, the National Low-Income Housing Coalition (NLIHC) outlines the relationship between Fair Market Rents (FMR) set by HUD based on actual area housing costs and the income required to afford that housing. NLIHC has determined that the 2014 ‘housing wage’ for Oregon would be \$16.04 per hour, resulting in a yearly income of \$33,360. This is the amount a full time (40 hour per week) worker would have to earn to afford a two-bedroom apartment at Oregon’s FMR of \$834.<sup>54</sup> In Lane County, the 2014 estimated mean wage for a renter was \$11.04 an hour. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 58 hours per week.<sup>55</sup> <sup>56</sup> A person earning the Oregon minimum wage (\$9.10 per hour) would have to work 70 hours a week for the two-bedroom unit to be affordable.

**Housing Market Analysis – Cost of Housing – Additional Discussion - Consortium**

While housing may be near fair market rent as a median value, the amount of hours a person would have to work to afford housing demonstrates how incomes have not kept up with housing costs. Rather than using fair market rent as a standard, this community must place more emphasis on housing cost burden and other indicators that consider the impact of lower-than-average wages.

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<sup>53</sup> 24 CFR 888

<sup>54</sup> NLIHC Housing Wage Calculator. <http://nlihc.org/library/wagecalc>

<sup>55</sup> NLIHC Out of Reach 2013. Full Report. Where the Numbers Come From User’s Guide.

[http://nlihc.org/sites/default/files/oor/2013\\_OOR.pdf](http://nlihc.org/sites/default/files/oor/2013_OOR.pdf)

<sup>56</sup> NLIHC Out of Reach 2013. Full Report. Where the Numbers Come From User’s Guide. Oregon

## MARKET ANALYSIS 20 HOUSING MARKET ANALYSIS: CONDITION OF HOUSING – CONSORTIUM

### **Introduction**

This section is to provide an overview of the condition of the housing, including an assessment of the following topics:

#### ***Condition of Units***

Census data from 2009-13 indicates that there are an estimated 2,182 housing units in the cities of Eugene and Springfield that are lacking complete kitchen or plumbing facilities, or 2%. Although there is no data available to determine how many of the substandard units as defined here are occupied by low- and moderate-income households, it can be concluded that a substantial percentage of the occupants are low or moderate income, either because as owners, they lack resources to maintain their homes' critical structural elements, or because as renters, they cannot afford a unit that is in standard condition.

#### ***Year Unit Built***

The age of a community's housing stock is typically one indicator of the need for building rehabilitation to bring units up to modern standards. In the cities of Eugene and Springfield, two-thirds (62%) of the housing stock was built before 1980, with the older housing being nearly equally distributed between the Cities of Eugene and Springfield, where the median year that housing was built is 1975.

#### ***Risk of Lead-Based Paint Hazard***

Lead-based paint was frequently used in residential applications until it was banned in 1978. Thus, many homes built prior to 1978 may contain lead-based paint. Lead is a highly toxic metal that may cause a range of health problems. Exposure to lead-based paint hazards may result in serious, irreversible health consequences, and can be especially damaging to children. When lead is absorbed into the body, it can cause damage to the brain and other vital organs, such as kidneys, nerves, and blood. Lead poisoning can also cause reduced IQ levels, reading and learning disabilities, decreased attention span, seizures, hyperactivity and aggressive behavior, and, in extreme cases, death.

The 2002 National Survey of Lead and Allergens in Housing, Analysis of Lead Hazards, written by Clickner et.al., found that 67% of housing units built before 1940 had significant lead-based paint hazards. The hazard declined to 51% for houses built between 1940 and 1959; 10% for houses built between 1960 and 1979; and to just 1% for houses built after 1979.

In the cities of Eugene and Springfield, approximately 61% (54,600) of the total housing units were built prior to 1980 and based on the Clickner findings, approximately 11,437 homes pose

potential lead-based paint hazards in the cities of Eugene and Springfield. Risk of Lead-Based Paint (HUD Provided Table).

### ***Vacant Units***

Census data suggests that vacancy rates in the cities of Eugene and Springfield for owner-occupied housing are consistently lower than that for renter-occupied units. Owner-occupied rates have remained more stable than rental rates in the cities of Eugene and Springfield over the past 20 years. Rental unit vacancy rates in Eugene have fluctuated since 1990, ranging from a low of 3.5% in 1990, rising to 6.6% in 2000, and dropping to 4.3% by the end of the decade. Springfield rental vacancy rates have been more stable than Eugene's rates over that period.

## **Definition of "substandard condition" and "substandard condition but suitable for rehabilitation:" - Consortium**

### ***Standard Condition***

A unit of housing is considered to be in standard condition if it is generally in good repair, with no substandard habitability elements (i.e., lacking complete plumbing or kitchen facilities) or exterior elements. Such units may be eligible for housing rehabilitation funding if interior conditions are such that the HUD Section 8 Housing Quality Standards or other standards are not met. Examples of ways in which the interiors of such homes might be rehabilitated include the replacement of heating systems, electrical system repairs or upgrades, plumbing system repairs or upgrades, energy efficiency improvements, and accessibility improvements.

### ***Substandard Condition but Suitable for Rehabilitation***

This category describes dwelling units that do not meet standard conditions but that are both financially and structurally feasible for rehabilitation. Such units may be lacking complete plumbing or kitchen facilities and/or may have exterior elements in need of repair (e.g., a roof in need of replacement, siding in need of repair or replacement, or a missing/failing foundation), and the unit value must exceed the cost of the repairs or upgrades required to bring it to standard condition.

### ***Substandard Condition and Not Suitable for Rehabilitation***

This category describes dwelling units that are in such poor condition as to be neither structurally nor financially feasible for rehabilitation. Such units will typically have an improvement value that is less than the cost of addressing the habitability and exterior elements that cause its classification as "substandard," or will be considered to be unoccupiable for reasons of safety by the City's Building Official.

## Condition of Units - Consortium

Selected housing conditions = 1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost burden greater than 30%. It should be noted that due to the high number and percentage of households with housing cost burden and the low number and percentage of households with substandard housing (lacking complete kitchen or plumbing facilities) or crowding as identified in the table in the Needs Assessment in the table [Housing Problems \(HUD Provided Table\)](#), a significant number of the units with only one selected condition reflect units with housing cost burden, rather than overcrowding or substandard housing.

### 59. Condition of Units (HUD Provided Table)

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected condition	14,851	33%	22,963	52%
With two selected conditions	239	1%	1,352	3%
With three selected conditions	15	0%	222	1%
With four selected conditions	0	0%	0	0%
No selected conditions	30,420	67%	19,475	44%
<b>Total</b>	<b>45,525</b>	<b>101%</b>	<b>44,012</b>	<b>100%</b>

Data Source: 2007-2011 ACS

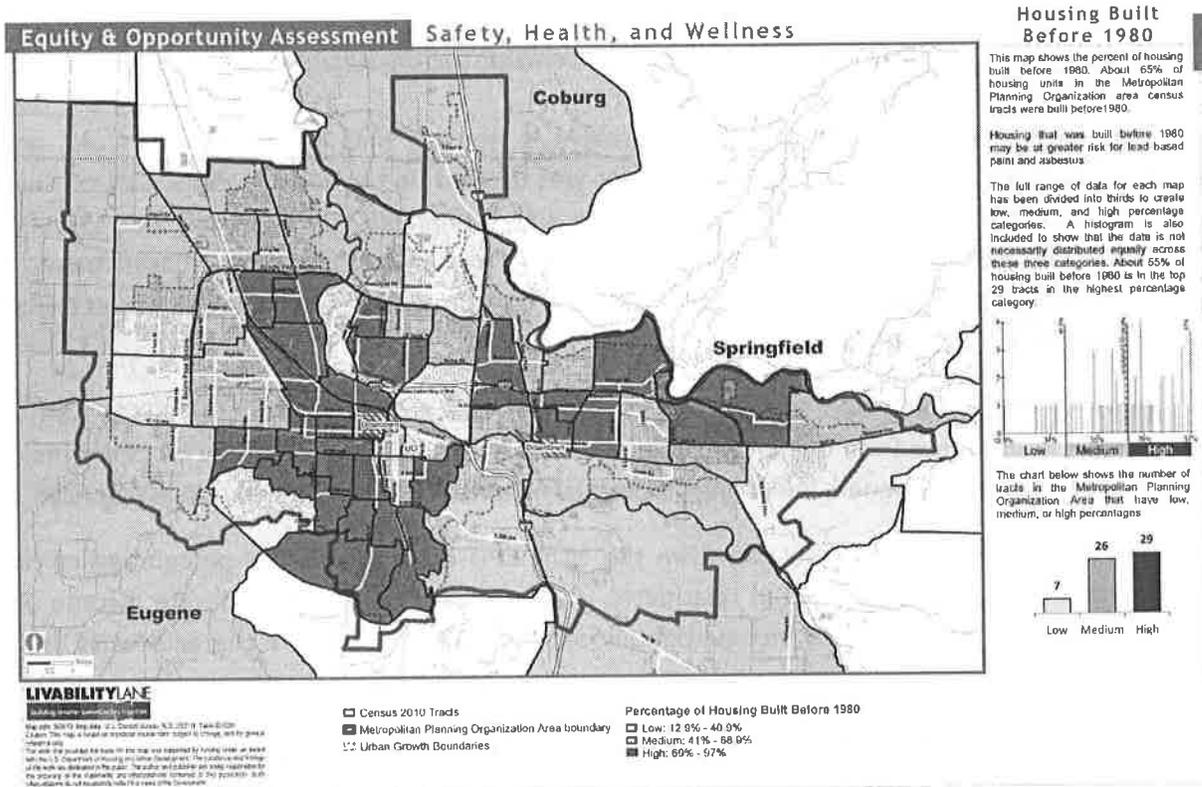
## Year Unit Built - Consortium

### 60. Year Unit Built (HUD Provided Table)

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	6,144	14%	4,411	10%
1980-1999	11,471	25%	11,610	26%
1950-1979	21,081	46%	23,002	52%
Before 1950	6,829	15%	4,989	11%
<b>Total</b>	<b>45,525</b>	<b>100%</b>	<b>44,012</b>	<b>99%</b>

Data Source: 2007-2011 CHAS

61. Housing Built Before 1980 (Map)



Risk of Lead-Based Paint Hazard – Consortium

62. Risk of Lead-Based Paint (HUD Provided Table)

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	27,910	61%	27,991	64%
Housing Units build before 1980 with children present (earliest data available is from 1980)	2,364	5%	2,715	6%

Data Source: 2007-2011 ACS (Total Units) 2007-2011 CHAS (Units with Children present)

Vacant Units - Consortium

63. Vacant Units Suitable for Rehabilitation (Table)

	1990			2000			2011-13		
	Owner	Renter	All Types	Owner	Renter	All Types	Owner	Renter	All Types
Eugene	1.1%	3.5%	3.6%	1.7%	6.6%	5.4%	2.2%	2.4%	5.7%
Springfield	1.2	3.3	3.7	2.1	4.3	4.6	1.6	3.4	5.8

Data: Census 1990, Census 2000, ACS 2011-13

## Condition of the Housing Narrative Questions

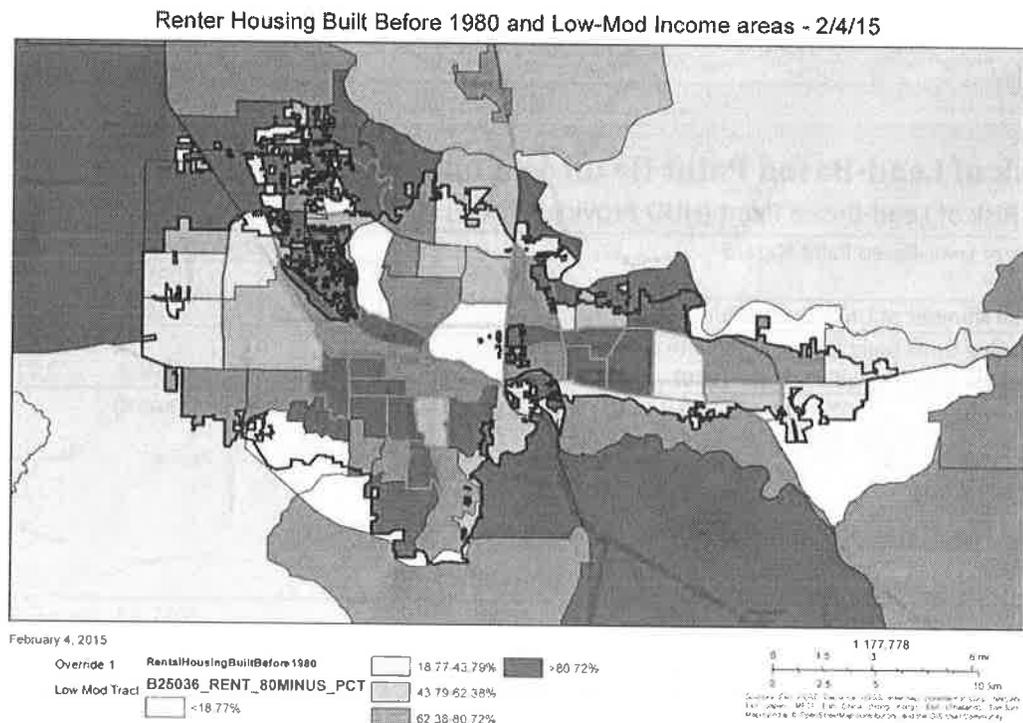
### *Describe the need for owner and rental rehabilitation based on the condition of the jurisdiction's housing - Consortium*

The need for housing rehabilitation is greater in housing that is over 25 years old, and in housing built before 1979, before lead paint was banned. In the region, about 62% of housing was built before 1980. In the cities of Eugene and Springfield, approximately 61% (54,600) of the total housing units were built prior to 1980 and may contain lead-based paint. It is estimated that about 11,437 homes are likely to contain lead-based paint hazards in the cities of Eugene and Springfield.

In owner households with substandard conditions, 43% are low-income (50%-80% AMI) Cost burden information from owner households shows that 16% (Eugene) and 17% (Springfield) of owners are cost burdened, indicating a potential need for owner rehabilitation assistance.

The map in the following section from the HUD CPD maps shows the percentage of renter households built before 1980 in relation to HUD tract level low and moderate income areas. Areas where there are lower income populations and older housing are characteristics that can indicate an area where housing may need greater rehabilitation.

#### 64. Renter Housing Built Before 1980 and Low-Mod Income Areas (Map)



***Estimate the number of housing units within the jurisdiction that are occupied by low or moderate income families that contain lead-based paint hazards. - Consortium***

Of the 25,435 households that occupy housing built before 1980, 72% are renters and 28% are owners. There are 2,574 low-income renter households with children living in housing built before 1980. There are 555 low-income owner households with children living in housing built before 1980.

## MARKET ANALYSIS 25 PUBLIC AND ASSISTED HOUSING – CONSORTIUM

### **Introduction – Consortium**

This section provides a summary of the needs of public housing including:

#### ***Identification of Public Housing Developments in the Jurisdiction***

There are 494 public housing units in Eugene and Springfield, located in three Asset Management Projects (AMP). The three AMPs are entitled Springfield Units which includes McKenzie Village, Pengra Court, and other scattered sites in Springfield, Eugene Units which includes Maple Wood Meadows and scattered sites in Eugene, and Parkview Terrace in Eugene.

#### ***Number of Public Housing Units***

There are 708 public housing units in Lane County, plus 2,817 vouchers, as shown in the table, Total Number of Units by Program Type (Table). There are 494 public housing units in Eugene and Springfield.

#### ***Physical Condition Public Housing Units***

HUD's Real Estate Assessment Center conducts physical property inspections of properties that are owned, insured or subsidized by HUD, including public housing and multifamily assisted housing. The scale for scores is from 0 to 100 and the score reflects the physical condition of a property, inspectable area, dwelling unit, or sub-area. In Eugene and Springfield, there are three groups of public housing facilities, called Asset Management Projects (AMPs). All three AMPs have scores of 90 or above, as shown in table Public Housing Condition (Table).

#### ***Restoration and Revitalization Needs of the Public Housing Units***

With nearly 65 percent of the public housing portfolio over 50 years old and most of the remainder over 30 years old, there is a need for significant expenditures for building envelope and site rehabilitation, heating system upgrades, and kitchen and bathroom upgrades.

#### ***Number of Families on Public Housing and Tenant-Based Waiting Lists***

For one-bedroom units, there is a waiting list of 957. For two-bedroom units, there are 939 on the waiting list, with an estimated waiting time of 3 years. For three-bedroom units, there is a waiting list of 177, with an estimated waiting time of up to one year. For four-bedroom units, there is a waiting list of 56, with an incalculable waiting time, due to the low supply. For Section 8 Housing Choice Voucher Waiting list, it is estimated that 2,500 applications will be received during an eight-day period.

#### ***Results from Needs Assessment of Public Housing Projects***

There is a significant waiting list for all types of public housing. The age of the housing indicates that there is also a great need for repairs, and the funding received is inadequate to meet the needs.

### Number of Units – Consortium

65. Total Number of Units by Program Type (Table)

Program Type									
	Certificate	Mod-Rehab	Lane County Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	0	708	2,817	0	0	211	0	0
# of accessible units	n/a	n/a	37	n/a	n/a	n/a	n/a	n/a	n/a

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

### Number and Condition of Public Housing Developments - Consortium

Housing and Community Services of Lane County (HACSA) currently owns and manages 708 public housing units in Lane County. Of the 708 units in Lane County, 56% are single family units (394) and 44% are multi-family units (314). In Eugene and Springfield, there are 494 public housing units, of which 70% are single family (344), and the remaining 30% are multi-family (150). These are all participating in an approved Public Housing Agency Plan. In Eugene and Springfield, the public housing facilities are grouped by HUD into Asset Management Projects. All three AMPs have scores of 90 or above, as shown in table [Public Housing Condition \(Table\)](#).

### Public Housing Condition – Consortium

66. Public Housing Condition (Table)

Public Housing Groups	Average Inspection Score
Eugene Group A (Eugene Units)	90
Eugene Group B (Parkview Terrace)	92
Springfield Group A (Springfield Units)	94

Data Source: Housing and Community Services Agency (HACSA)

## **Restoration and revitalization needs of public housing units in the jurisdiction - Consortium**

With nearly 65 percent of the public housing portfolio over 50 years old and most of the remainder over 30 years old, there is a need for significant expenditures for building envelope and site rehabilitation, heating system upgrades, and kitchen and bathroom upgrades. HACSA will be conducting a Green Physical Needs Assessment that will identify property deficiencies and provide guidance for Green strategies to maximize energy conservation measures. The Public Housing Capital Fund Program provides yearly funding that will be used to target these capital improvements. Envelope and site issues will be addressed first to ensure that improvements to the living environments of the residents will be a prudent investment. Improvements will be designed considering increased energy efficiency and resident livability. HACSA is currently exploring ways to reinvest in its existing portfolio.

### ***Public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing: - Consortium***

The restoration and revitalization plans will improve the living environment of low and moderate income families residing in public housing. In addition, HACSA delivers a customer service survey to all public housing residents, which solicits input on improving the living environments. That information is used to inform capital and operating budgets. There are also numerous resident advisory committees that also provide ongoing input on how to improve the living environment.

## MARKET ANALYSIS 30 HOMELESS FACILITIES AND SERVICES – CONSORTIUM

### **Introduction - Consortium**

The jurisdictions of Eugene, Springfield and Lane County work collaboratively to assess the extent and nature of homelessness and to provide funding and direct services. Lane County is the lead agency for the Continuum of Care. The Continuum of Care (CoC) Program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.<sup>57</sup>

### ***Facilities and Services***

There are a total of 473 emergency shelter units with 539 beds, 48 transitional housing units with 106 transitional beds, and 418 permanent supportive housing units with 539 beds in the community, excluding overflow capacity. The Cities of Eugene and Springfield utilize CDBG funds to address capital needs of many of the facilities. The service delivery system is carried out largely by the non-profit agencies, which provide a wide array of services to people experiencing homelessness.

In addition, there are several overflow emergency and alternative emergency housing services available, including The Egan Warming Center, a cold-weather emergency overnight shelter, which served 948 people between November 2014 and March 2015, two Rest Stop Pilot Program sites in the City of Eugene, which each provide tent sites for up to 15 people, and Opportunity Village, which is designed to create self-managed communities of low-cost tiny houses.

In the 2015 Lane County Point in Time Homelessness Count, 379 of the 697 (54%) chronically homeless were unsheltered, and 229 of the 398 (58%) mentally ill were unsheltered.<sup>58</sup> This supports the need for more emergency, transitional and permanent supportive housing for these populations. Needs and feasibility assessments are being conducted on designing a Housing First model of housing. Lack of funding for providing the ongoing cost of services for this population has been identified as key barrier.

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<sup>57</sup> HUD, [www.HudExchange.info/coc](http://www.HudExchange.info/coc)

<sup>58</sup> Lane County 2013 One Night Homeless Count Highlights

## Facilities and Housing Targeted to Homeless Households – Consortium

### 67. Facilities and Housing Targeted to Homeless Households (HUD Provided Table)

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current and New)	Voucher / Seasonal / Overflow Beds	Current and New	Current and New	Under Development
Households with Adult(s) and Child(ren)	70	30 (seasonal)	82	168	15
Households with Only Adults	435	300 (overflow)	24	420	27
Chronically Homeless Households	-	-	-	102	27
Veterans	4	0	20	16	0
Unaccompanied Youth	12	0	2	0	0
<b>TOTAL</b>	<b>521</b>	<b>330</b>	<b>128</b>	<b>706</b>	<b>69</b>

Source: Lane County Human Services

### Facilities and Housing Targeted to Homeless Individuals

#### 68. Facilities and Housing Targeted to Homeless Individuals (Table)

	Total Units (not Overflow)	Total Beds (not Overflow)
<b>Emergency Shelter Projects</b>		
Eugene Mission Family Program	3	15
Eugene Mission Men's Program	259	259
Eugene Mission Women's Program	65	65
Eugene Mission Men's Life Change	60	60
Eugene Mission Women's Life Change	24	24
Looking Glass Rural Emergency Shelter (Runaway and Homeless Youth)	4	4
Looking Glass Station 7 ES (Supportive Housing Assistance Program and Runaway and Homeless Youth)	8	8
ShelterCare Family Housing Emergency Shelter	4	10
ShelterCare Family Housing Emergency Shelter	2	6
ShelterCare Homeless Medical Respite	23	23
Siuslaw Outreach Services- Hope House Domestic Violence Shelter	1	10
St. Vincent de Paul - 1st Place Family Faith-based Emergency Shelter (seasonal – school-year)	10	30
St. Vincent de Paul - Egan Warming Center (300 cold night beds- overflow)		
St. Vincent de Paul - VET LIFT	4	4
Womenspace- Domestic Violence Shelter	6	21
<b>Emergency Shelter Subtotal</b>	<b>473</b>	<b>539</b>
<b>Transitional Housing Projects</b>	<b>Total Units</b>	<b>Total Beds</b>
Looking Glass Station 7 Ladder Program	2	2
ShelterCare Indigent Transitional Housing	1	1

ShelterCare New Start Program	1	1
Sponsors VA Grant per Diem Veterans Transitional Housing	10	10
St. Vincent de Paul – Connections Transitional Housing	24	82
St. Vincent de Paul VET LIFT VA Grant per Diem Veterans Transitional Housing	10	10
Transitional Housing Projects Subtotal	48	106
<b>Permanent Supportive Housing</b>	<b>Total Units</b>	<b>Total Beds</b>
VASH Program	210	285
HACSA - Shelter Plus Care	79	120
Emerald Options	15	37
Camas (new 01/01/2015)	10	12
Shankle Safe Haven	27	27
ShelterCare - Supported Housing	18	18
St. Vincent de Paul - 1st Place Family (new 01/01/2015)	3	9
St. Vincent de Paul - Housing PLUS	3	3
St. Vincent de Paul - Housing PLUS	3	3
St. Vincent de Paul - Housing PLUS (Vet LIFT 3)	9	11
St. Vincent de Paul - LIFT	18	41
St. Vincent de Paul - VET LIFT 1	15	18
St. Vincent de Paul - VET LIFT 5	3	4
Permanent Supportive Housing Subtotal	413	588

Source: Lane County Human Services

### **Mainstream services used to complement services targeted to homeless persons - Consortium**

The Continuum of Care (CoC) Program is designed to promote communitywide commitment to the goal of ending homelessness, to provide funding, promote access to programs by homeless persons and to optimize self-sufficiency among people experiencing homelessness.<sup>59</sup> The organizations that are responsible for increasing the rate of project participants in all Continuum of Care (CoC) funded projects come from two sectors. The first is local homeless providers responsible for connecting participants to non-cash mainstream resource organizations, including Catholic Community Services, ShelterCare, Mainstream Housing, Looking Glass Youth and Family Services, St Vincent de Paul and Housing Agency and Community Services of Lane County. The other type is the organizations that directly provide mainstream benefits, including DHS Child Welfare and Self Sufficiency, the local Department of Veterans Affairs, Lane County Veterans services, Lane County's Health and Human Services and

<sup>59</sup> HUD, [www.HudExchange.info/coc](http://www.HudExchange.info/coc)

WIC program, the Community Health Centers of Lane County (a federally qualified health center), and Lane Workforce Partnership.

CoC case managers administer a comprehensive assessment upon program entry which helps homeless participants identify and apply for appropriate benefits that would add to their housing- and economic-stability, such as SNAP, WIC, TANF, Medicaid Insurance(Oregon Health Plan/Cover Oregon ACA), VA medical or the Housing Authority's Section 8 Public Housing Program. Local homeless health care programs through WhiteBird Clinic and the Community Health Centers of Lane County are a source of health services offered to project participants. CoC providers help participants access mainstream programs for housing, employment, food, health, and mental health. Computer access for applicants to fill in their own data is provided.

## **Services and facilities that meet the needs of homeless persons – Consortium**

### ***Unaccompanied Homeless Youth***

Looking Glass Youth and Family Services (LG) operates several programs including McKenzie Transitions Rapid Re-housing Program, New Roads Homeless Access Center, Station 7 Emergency Shelter, and an Independent Living Program. Services include case management, access to mainstream benefits, mental health and substance abuse treatment, transportation and job assistance, homeless access center, alternative school and street outreach; emergency shelter and transitional housing, and assistance transitioning out of foster care. Catholic Community Services' Young Parent's Program helps homeless teen parents with housing, education, home visits and parent education. Hosea Youth Services has day shelter and employment assistance for homeless youth. Agencies coordinate efforts with the School Districts' McKinney-Vento Homeless liaisons.

### ***Outreach***

There are several agencies in the county that conduct outreach efforts to homeless persons. LG has street outreach workers for homeless street youth in metro and rural areas. WhiteBird Homeless adult outreach frequents known locations for adults and makes referrals to homeless healthcare, housing and services. SVDP Egan Warming Center's (Egan) outreach van goes to known locations, transporting homeless youth and adults to shelter as temperature drops below 30 degrees.

### ***Veterans***

Efforts towards addressing homelessness among veterans include housing stabilization and access to health and mental health care, education and mainstream benefits. SVDP provides services through VET LIFT Permanent Housing, All Veterans Community Grant and Per Diem Program, Egan, Service Station. Services include housing for veterans with substance abuse and Consolidated Plan - Market Analysis

mental health issues, transitional beds for extremely low income vets, shelter during extreme weather and day shelter services, and training, paid work experience, job search/placement, and career planning, and rapid re-housing.

### ***Families with Children***

To reduce the number of homeless individuals and families, the CoC has operated a Homeless Prevention Program for over a decade to maintain stable housing and avoid homelessness. Local and state funds help to operate family emergency shelter and housing assistance programs. McKinney-Vento School liaisons connect homeless students and their families to housing stabilization services.

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

Womenspace and Christians as Family Advocates serve Eugene and Springfield. Womenspace provides an emergency shelter, crisis line, support groups, transitional programs, community education, and legal advocacy. Christians as Family Advocates offers domestic violence/anger management classes. The Lane County Domestic Violence Council is a collaborative effort to end domestic violence with over 100 community leaders.

### ***Chronically Homeless Individuals and Families***

There are several providers that serve persons who are chronically homeless. HACSA provides housing and services for chronically homeless adults and families. SVDP offers several programs including two Vet LIFT 1 and Vet LIFT 5 permanent housing programs and First Place Families Project, and provide housing and support for individuals and families. Mainstream Housing operates Emerald Options for chronically homeless adults with developmental disabilities, with or without children. ShelterCare provides Safe Haven Shankle and CAMAS Permanent Housing Projects, which provide permanent housing that serves hard-to-reach, chronically homeless persons with a severe and persistent mental illness and chronically homeless households with children and/or adults.

## MARKET ANALYSIS 35 SPECIAL NEEDS FACILITIES AND SERVICES – CONSORTIUM

### **Introduction**

There are many agencies in the area that offer housing and supportive services to meet the needs of special needs populations. Much of the data is from the Oregon Housing and Community Services 2013 Lane County Housing Profile (Profile), which provides estimates of the number of people in several subpopulations in the county, as well as the number of housing units designated for that subpopulation. There is an inadequate supply to meet the identified demand in all special need populations. The most significant gaps appear to be with the elderly, and people with substance abuse and chronic mental illness, with approximately 21,000 people without designated affordable permanent housing.

### **Special Needs Populations and Supportive Housing Needs – Consortium**

#### ***Alcohol and/or Drug Addiction***

The Profile identified 57 affordable housing units designated for this population which provides housing for 1% of the 5,588 people with this need. Rehabilitation projects have increased the number of units including some designated for veterans recovering from an alcohol and/or drug addiction.

#### ***College Age Students***

The majority of the college students in Eugene and Springfield attend the University of Oregon (UO), where there are approximately 4,000 students living in campus housing, and 20,000 in off-campus housing. There are 5,414 UO undergraduate students (24%) that receive financial need-based PELL grants. The UO identified a significant but unknown number of non-traditional and international students with need for affordable housing.

#### ***Domestic Violence***

The Profile does not identify any housing units for victims of domestic violence. The non-profit Womenspace operates a shelter which provides 25 emergency beds. When no shelter bed is available, Womenspace assists women find housing, which is frequently unavailable, and has available a limited number of hotel vouchers that can be used in an emergency.

#### ***Elderly / Frail Elderly***

The Profile identified 1,873 affordable housing units serving the elderly and frail elderly in Lane County. This meets the housing needs of approximately 14% of this population needing affordable housing. There are multiple subsidized housing developments in Eugene and Springfield targeted to this population including Ya-Po-Ah Terrace, Aster Apartments and Olive Plaza. Census projections indicate this population is expected to grow in the future.

### ***Ex-Offenders***

The Profile identified 49 units for ex-offenders, meeting the need for 10% of the estimated 514 ex-offenders. Sponsors provides 119 transitional/emergency beds and supportive services for men, and 30 beds for women, and supportive services to approximately 500 people per year. It is estimated that nearly two-thirds of all people released from prison have no stable appropriate housing at time of release.<sup>60</sup>

### ***Foreclosure or Eviction***

Many providers and community members identified households that are at risk of foreclosure or eviction as a special needs population. There is limited data available to quantify the size of this population.

### ***HIV/AIDS***

The Profile identified three units in Lane County. This meets the needs of approximately 1% of the estimated 281 people population in need. The HIV Alliance provides a broad range of supportive services to increase access to and engagement in the care of persons with HIV/AIDS, including assessments, health insurance, and counseling services.

### ***Physical and/or Mental Disabilities***

The Profile identified 504 units in Lane County to serve this population. This meets 3% of the need for the chronically mentally ill, (178 units for 5,582 people), and 14% of the need for people who with physical or developmental disabilities (376 units for 2,645 people).

### ***Veterans***

HACSA administers 160 VASH vouchers focused on ending homelessness for veterans. SVDP manages the Veterans Housing Project which is a collaborative public, private and volunteer supported project to remodel and build housing, and the Vetlift Housing Development, which provides housing and services to 50 veterans with substance abuse or mental health issues.<sup>61</sup>

### ***Youth***

Affordable larger rental units for families are needed, as 71% of all rental households with children are low income. The three public school districts in Eugene and Springfield report 1,616 homeless youth in 2014.

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<sup>60</sup> Consultation with Sponsors, Inc.

<sup>61</sup> <http://www.svdpc.us/what-we-do/affordable-housing/vet-lift/>

### ***Youth Aging Out of Foster Care***

Programs and accompanying evaluation tools should be implemented to better understand the needs of this population in our community. Housing targeted to youth aging out of foster care is currently under development and will be in service later this year with 11 units.

### **Special Needs Narrative Questions**

#### ***Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing***

There are three contracted providers to ensure that persons returning from mental and physical institutions receive appropriate supportive housing. **Cascades** is a rapid re-housing program which will provide rapid rehousing services to single adults who are homeless and medically fragile. A critical component of this program will be to connect these individuals with health care providers who will help them manage and resolve their health care needs and access medications, and will serve nine households. **Camas Permanent Housing Project** serves 9 households without children and one household with children where there is a history of chronic homelessness and a diagnosis of serious mental illness (i.e. schizophrenia or bi-polar disorder), or a pattern of acute medical care needs. Services are participant-directed, strengths-based and recovery focused. **Shankle Safe Haven** serves chronically homeless adults with a severe and persistent mental illness. The Shankle facility consists of 16-bed permanent beds in 8 residential units and also offers 11 scattered site beds in the community and 11 day access center slots.

#### ***Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals.***

HOME funds will be directed to projects that address the needs of persons who have an identified special need. Home and CDBG funds have been utilized to support a range of developments to support special needs populations. The Cities will continue to make funds available and work with other funders to support such developments. The Cities of Eugene and Springfield have incorporated criteria to prioritize funding for developments that include housing for special needs populations. In addition, the City of Eugene will continue to operate its emergency home repair and accessibility improvements program that serve multiple special needs populations including the elderly, veterans, persons with disabilities and families with children.

***Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals.***

The Cities of Eugene and Springfield will undertake multiple activities in the next year to address the housing and supportive services needs of persons with special needs who are not homeless. These activities are summarized below.

As it relates to housing, Eugene and Springfield have allocated HOME funds for future development of affordable housing. Projects will be solicited through a RFP process and are strongly encouraged to include a set-aside for special needs populations. Both Eugene and Springfield will continue their home repair programs that are frequently used by elderly persons, persons with disabilities, veterans, and families with children. City of Eugene will continue its CDBG Accessibility Improvements program to assist persons with disabilities living in rental units.

As it relates to supportive services, both Eugene and Springfield will continue to provide CDBG funds for human services related to food assistance, social services, and assistance for victims of domestic violence and children at risk of child abuse.

## MARKET ANALYSIS 40 BARRIERS TO AFFORDABLE HOUSING – CONSORTIUM

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

#### ***Eugene***

Both the Cities of Eugene and Springfield have utilized the HUD's Questionnaire on Removal of Regulatory Barriers to assess how such issues impact development of housing. Eugene has addressed 18 of the 20 issues identified and Springfield met 17 of the 20 issues identified.

There are two areas where the City of Eugene could work towards further reducing barriers to affordable housing: modifying infrastructure standards and/or authorizing the use of new infrastructure technologies to significantly reduce the cost of housing, and providing expedited or 'fast track' permitting and approvals for all affordable housing developments.

In addition, The City of Eugene has worked to established mechanisms for involvement of Community Development staff and the Housing Policy Board (HPB) in discussions to address barriers to affordable housing. A significant effort is underway to incorporate affordable housing needs and supports in Eugene's new comprehensive plan, Envision Eugene.

#### ***Springfield***

There are several areas the City of Springfield could explore to further reduce barriers for the development of affordable housing, including: impact fee waivers for affordable housing, parking requirement adjustments for affordable housing developments; fast track permitting for affordable housing developments; and density bonus incentives for the development of affordable housing. A 2009 analysis of Springfield's Development Code and consultations with local affordable housing developers concurred with this assessment, and Springfield continues to address these issues as part of on-going land use and zoning studies and implementation of adopted comprehensive plans. For example, the 2011 Residential Land Use and Housing Element of the Springfield 2030 Comprehensive Plan includes specific policies to foster housing diversity, housing choice and affordability. In addition, the 2012 Glenwood Refinement Plan included specific policy direction regarding the development of affordable housing.

## MARKET ANALYSIS 45 NON-HOUSING COMMUNITY DEVELOPMENT ASSETS – EUGENE

### Introduction – Eugene

The community development needs of Eugene are guided by the overall community trends in poverty, unemployment, incidence of homeless, and other indicators. HUD requires a statement of need according to particular categories of eligible activities. As a result, the following chapter is organized according to the categories of need established by HUD for non-housing uses of CDBG funds. These include Public Facilities, Public Infrastructure, and Economic Development, and other Community development needs

It is important to note that the needs described below are limited to those that can be addressed through CDBG-eligible activities and also have the ability to meet a CDBG national objective. As a result, the analysis focuses on the need of low- and moderate-income persons, which is the primary national objective of CDBG.

The City of Eugene will use CDBG funds to undertake economic development activities primarily resulting in job creation for low- and moderate-income households. The City of Eugene's Business Development Fund will continue to provide loans to local businesses resulting in job creation or retention. In limited cases, Eugene may also provide business loans to address conditions of slums and blight. This Fund operates primarily with program income from previous business loans. The City of Eugene will also continue to support microenterprise training for low- and moderate-income persons as a public service.

### Business Activity – Eugene

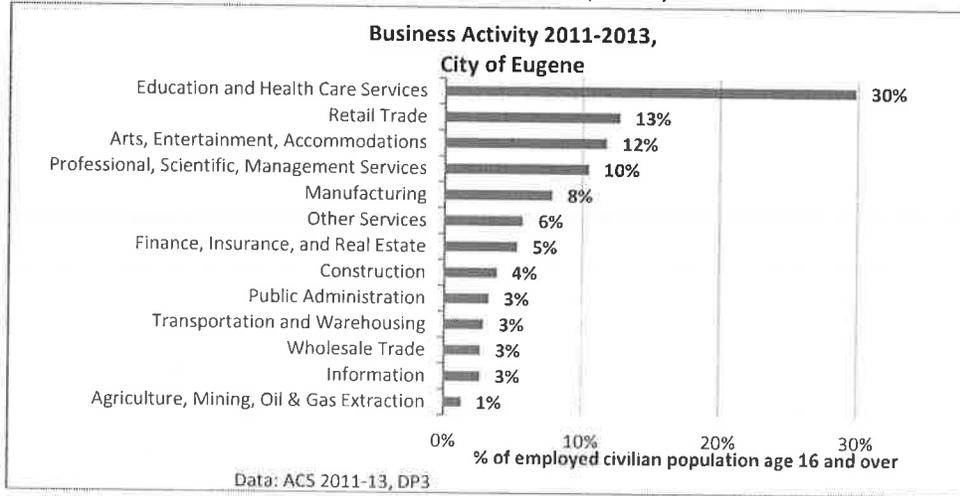
#### 69. Business Activity (HUD Provided Table)

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil and Gas Extraction	717	171	2	0	-2
Arts, Entertainment, Accommodations	6,297	8,768	14	14	0
Construction	1,854	2,092	4	3	-1
Education and Health Care Services	10,583	16,869	23	26	3
Finance, Insurance, and Real Estate	2,836	3,631	6	6	0
Information	1,535	1,684	3	3	0
Manufacturing	4,874	5,785	11	9	-2
Other Services	2,387	3,392	5	5	0
Professional, Scientific, Management Services	4,222	6,625	9	10	1
Public Administration	0	0	0	0	0
Retail Trade	7,342	10,932	16	17	1

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Transportation and Warehousing	1,170	735	3	1	-2
Wholesale Trade	2,588	3,158	6	5	-1
Total	46,405	63,842	--	--	--

Data Source: 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

## 70. Business Activity Updated After Recession (Chart)



## Labor Force – Eugene

### 71. Employment Status (Table)

Total Population age 16 and over	133,751
Total Population in the Civilian Labor Force	79,363
Labor Force Participation rate	59.3%
Civilian Employed Population 16 years and over	70,540
Unemployment Rate	11.1%
Unemployment Rate for Ages 16-24 (Percent of the population 16-24 years that are unemployed)	17.5%
Unemployment Rate for Ages 25-65 (Percent of the population 25-64 years that are unemployed)	9.6%

Data: ACS 2011-13, DP3, B23001

### 72. Labor Force Participation Rate (Table)

City of Eugene	Labor Force Participation Rate (Percent)	Unemployment Rate
1970	55.4	6.8
1980	62.5	8.4
1990	64.1	6.4
2000	65.3	6.2
2005 ACS	65.2	9.3
2006 ACS	61.2	6.4

## Occupations by Sector – Eugene

### 73. Occupations by Sector (HUD Provided Table)

	Number of People
Management, business and financial	18,395
Farming, fisheries and forestry occupations	3,035
Service	8,280
Sales and office	18,298
Construction, extraction, maintenance and repair	4,122
Production, transportation and material moving	2,301

Data Source: 2007-2011 ACS

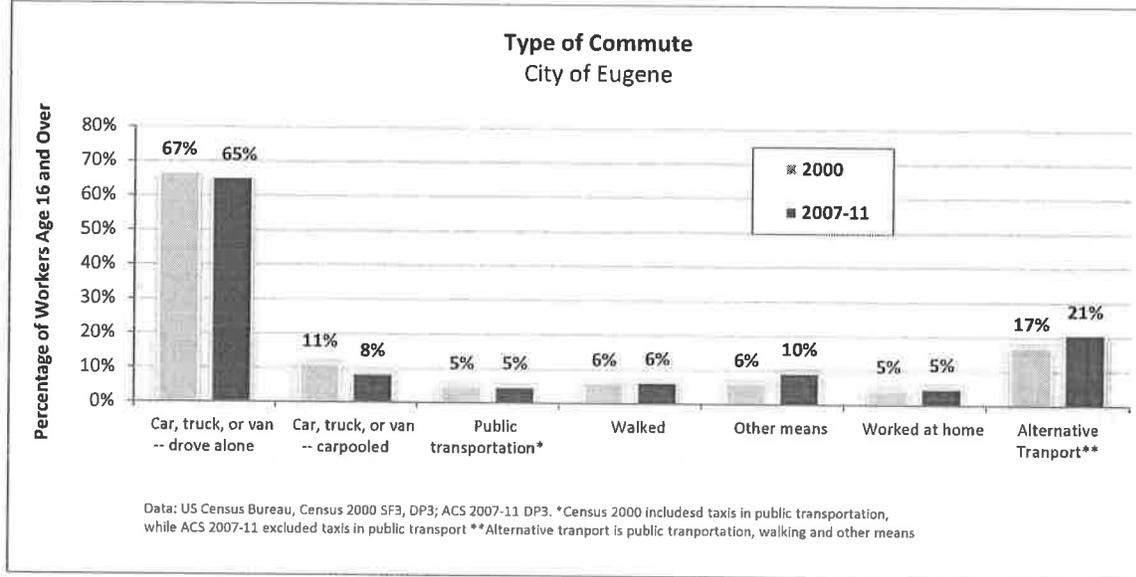
## Travel Time – Eugene

### 74. Travel Time (HUD Provided Table)

Travel Time	Number	Percentage
< 30 Minutes	59,153	89%
30-59 Minutes	5,381	8%
60 or More Minutes	1,878	3%
Total	66,412	100%

Data Source: 2007-2011 ACS

75. Type of Commute (Chart)



Education - Eugene

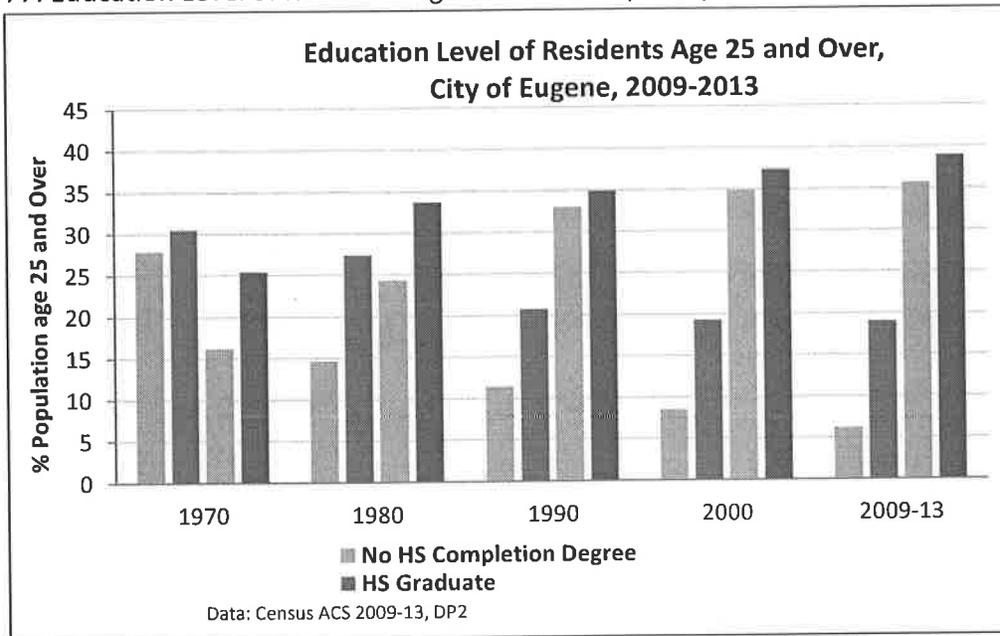
Educational Attainment by Employment Status (Population 16 and Older)

76. Educational Attainment by Employment Status (HUD Provided Table)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	2,636	329	1,873
High school graduate (includes equivalency)	8,401	1,019	3,591
Some college or Associate's degree	18,400	2,099	6,494
Bachelor's degree or higher	25,320	1,503	5,916

Data Source: 2007-2011 ACS

77. Education Level of Residents Age 25 and Over (Chart)



*Educational Attainment by Age - Eugene*

78. Educational Attainment by Age (Table)

	Age				
	18-24 yrs	25-34 yrs	35-44 yrs	45-65 yrs	65+ yrs
Less than 9th grade	210	728	380	781	560
9th to 12th grade, no diploma	1,972	785	719	1,445	1,341
High school graduate, GED, or alternative	4,906	3,795	3,512	5,704	5,630
Some college, no degree	17,758	6,162	4,537	9,641	4,878
Associate's degree	1,336	1,545	1,834	3,313	750
Bachelor's degree	2,676	6,232	4,524	8,650	3,112
Graduate or professional degree	139	2,708	2,967	7,681	3,468

Data Source: 2007-2011 ACS

**Median Earnings in the Past 12 Months - Eugene**

79. Median Earnings in the Past 12 Months (HUD Provided Table)

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	20,703
High school graduate (includes equivalency)	26,169

Educational Attainment	Median Earnings in the Past 12 Months
Some college or Associate's degree	27,208
Bachelor's degree	33,286
Graduate or professional degree	46,035

Data Source: 2007-2011 ACS

## Non-Housing Community Development Assets Narrative Questions

### *Major employment sectors within the jurisdiction - Eugene*

The major employment sectors are Education and Health Care Services; Retail Trade; Arts, Entertainment, and Accommodations.

### *Describe the workforce and infrastructure needs of the business community - Eugene*

The Lane Workforce Partnership is a non-profit organization that pursues and invests resources to improve the quality of the workforce in Lane County. They design and coordinate workforce development programs and services delivered through a network of local partners to help people get the skills, training and education they need to go to work or to advance in their careers. In their 2013-2015 Strategic Plan identifies the need for higher skilled workers to meet employers' demands as their first priority. Key strategies they identify to achieve this goal include increasing academic skills and workforce readiness, and increasing employment opportunities for the emerging workforce.

Lane Workforce Partnership has identified the following key needs of the business communities in Eugene and Springfield:

- High levels of unemployment and high levels of long term unemployment
- Structural changes for some industries (e.g. some occupations will never come back)
- Slow employment growth
- Businesses struggle to find skilled workers
- Connecting training to jobs
- Younger workers damaged by the recession
- Aging workers damaged by recession

*Describe any major changes that may have an economic impact or initiatives that may affect business growth opportunities, and resulting needs for workforce development, business support or infrastructure - Eugene*

A redevelopment of riverfront property, currently owned by the Eugene Water and Electric Board (EWEB). This proposal will include eight acres of new public open space, over 300 new housing units totaling \$80 million in new construction, over 100,000 square feet of new

commercial/office/retail totaling \$30 million in new construction, and 650 construction jobs and 700 new permanent jobs.

*RAIN:* The transition from a resource-based to a knowledge-based economy has been slow, as emerging technology companies struggle to obtain resources, including funding and the talent required for success. The communities have created a plan for a system that addresses the specific economic development needs of our region. This plan is called the Regional Accelerator and Innovation Network, or RAIN. RAIN will help this community by growing companies that can provide jobs and stem the out-migration of talented young people.

*EmX (west 11<sup>th</sup> extension):* EmX (short for Emerald Express) is the bus rapid transit (BRT) system designed to serve the Eugene and Springfield communities now and into the future. A major expansion of the EmX line is scheduled to West Eugene, as this area has the greatest need for transit improvements, deigned to minimize the projected increase in congestion.

***How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction? - Eugene***

There is a shortage of qualified workers in the following sectors: education, health care services, manufacturing, professional, scientific, and management services.

***Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan. - Eugene***

Historically, a majority of jobs in Lane County required little in the way of training or education. New trends show that some of the fastest growing occupations require post-secondary education and training even for entry-level work. Historically, a majority of jobs in Lane County required little in the way of training or education. New trends show that some of the fastest growing occupations require post-secondary education and training even for entry-level work. Listed below are some of the workforce training initiatives:

**Foodservice sector:** The Regional Food Coalition (RFC) is developing a cluster strategy to help grow the local industry. Lane Workforce Partnership participates on the RFC leadership team and chairs the RFC Workforce Subcommittee which has a focus on aligning training opportunities with the workforce needs of food manufacturers.

**Software sector:** Staff at Lane Workforce Partnership is working with industry representatives, local economic development practitioners, K-12, and Lane Community College to develop more training infrastructure for the industry. Software/Technology CTE programs are being strengthened in area high schools and LCC is responding to industry input, investing \$45,600 in software companies for on-the-job training for the period from 2008-2014.

**Mining and construction sector:** Currently Lane Workforce Partnership is working with a group of construction aggregates companies on two fronts: the WorkSource Lane On-the-Job Training (OJT) team is actively working to assist with recruitment and OJT hires, and Lane Workforce Partnership is assisting employers in connecting with area high schools. A collaborative goal of the group is to introduce young workers/emerging workforce to the industry. Over 60 students from ten local Lane County School Districts have participated and ten of them have been interviewed for positions, and investing \$72,200 in on the job training with construction and mining companies.

**Workforce over 50:** Lane Workforce Partnership sought and received a grant from the AARP Foundation to develop a customized training program for individuals age 50+ focused on preparation for entry-level careers in the financial services industry. The short-term training program will be developed by Lane Community College based on financial services industry input and will be delivered to 75 individuals in 5 training cohorts of 15 over the next year and a half. Five local credit unions and two banks are involved in development of the curriculum. Financial industry representatives will be involved in delivering some of the training and it is anticipated that the eight financial institutions involved will hire the majority of the graduates of the program.

**Health Care Sector:** In collaboration with the Lane Educational School District, Lane Workforce Partnership is connecting education to industry through a seven-week program that informs educators about the career pathways in health care through tours and information sharing with employers.

**Investments:** From 2008-2014 Lane Workforce Partnership has invested \$277,400 in on-the-job training contracts with local manufacturing employers, and \$98,000 with health care employers.

***Does the City participate in a Comprehensive Economic Development Strategy (CEDS)? - Eugene***

(X) Yes ( ) No

***What economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? - Eugene***

The City of Eugene's business loan program (BDF) and support for microenterprise training are aligned with the Cascades West Economic Development District's CEDS in the following ways:

Key Elements of the Regional Vision

- A diversified economy affording a wide range of employment opportunities providing stable, family wage jobs.

Consolidated Plan - Market Analysis

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- An adequate level of technical assistance and support to entrepreneurs and emerging businesses.
- Improved opportunities for the working poor and dislocated workers to access education and training services.

Goal 1 – Advance economic activities that provide a range of employment opportunities

- Enhance access to capital, both private and public
- Support for the activities of business incubation centers, entrepreneurs, small business development centers, and economic development partnerships that help local businesses meet their needs, resolve issues, and expand job opportunities.
- Reach out to special populations including the disabled, seniors, minorities, unemployed, under-employed and youth.
- Support various target industries to continue the development of wealth-generating sectors that have built a strong economic foundation for our region and have complemented the region’s quality of life including transportation manufacturing, wood manufacturing, health care, and construction.
  - Support development and growth in successful and emerging opportunity areas such as health/wellness, advanced manufacturing, software, clean tech, renewable energy, biomedical, research and development.

Goal 5 – Partner to improve workforce training and education

- Meet the needs of displaced workers with entrepreneurial interests

**Non-Housing Community Development Assets Additional Discussion – Eugene Business Activity**

Historically, two of the largest employment sectors in Lane County have been wood products and manufacturing, but recently there have been losses in these sectors. During the 1989 to 1993 period, wood products lost 3,500 jobs. In 2014, manufacturing represented about 9% of non-farm employment.<sup>62</sup>

Regional employment is largely in education and health services, retail, professional and business services, and leisure and hospitality. Local and state government employment is also a large employer in the region. There are a few initiatives in the region to increase advanced manufacturing employment by investing in innovative start-ups, companies and education in

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<sup>62</sup> State of Oregon Employment Department, Eugene-Springfield MSA Non-Farm employment 2014 (not seasonally adjusted), [qualityinfo.org](http://qualityinfo.org)

science, technology, engineering and math. The region has also created an innovative and collaborative tech oriented business support network called the South Willamette Valley Regional Accelerator and Innovative Network (RAIN). This seeks to support new and developing tech based research and creative business with the University of Oregon (Eugene), and Oregon State University (Corvallis).

As manufacturing jobs changed and local population growth continued, the retail/service sector of the local economy also grew. In the 1990's, 77% of all new jobs were in the service/retail industries. The challenge inherent in this economic outlook is focused on wage income. Given the gap between wages and housing costs, the problem of unemployed and underemployed people is significant. In addition to addressing this gap through increasing the access to affordable appropriate housing, a parallel strategy is needed to increase the wages and income of people in the community. The City of Eugene's small business loan program and support for microenterprise training are designed to lessen this gap.

### ***Labor Force***

The labor force participation rate tells us the number of people actively looking for work or working. About 59% of the population in the City of Eugene was active in the labor force for the census years 2011-2013. The labor force participation rate has decreased, with rates the lowest since before 1980.

### ***Travel Time***

Job accessibility is a key indicator for how easily people are able to access employment. On average, the commute for the region is around 18-21 minutes.<sup>63</sup> The majority of workers use personal transportation to commute (65%).

### ***Education***

Unemployment rates for people with high school completion degrees or less are higher than those with college degrees. Barriers created by lower incomes and poverty create negative impacts on the education of residents which can be visible through students not completing school or lower performance results on tests.<sup>64</sup>

The Eugene-Springfield area is home to several colleges and universities, including the University of Oregon, Northwest Christian College, Pacific University in Downtown Eugene, and Lane Community College.

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<sup>63</sup> US Census Bureau, ACS, DP3

<sup>64</sup> HUD Evidence Matters. Understanding Neighborhood Effects of Concentrated Poverty. Winter 2011

While the percentages of residents that have less than a high school education are decreasing, there still is a substantial amount of people (6,171 or 6.2%) that are over age 25 without a high school completion degree. Even now, due to the changing dynamics of the workforce in the county, having only a high school diploma makes it harder to find a job.<sup>65</sup>

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<sup>65</sup> United Way of Lane County's Community Indicators Report 2012

## MARKET ANALYSIS 50 NEEDS AND MARKET ANALYSIS DISCUSSION - EUGENE

### **Areas of Concentration for Households with Multiple Housing Problems**

HUD defines housing problems as the following: substandard housing that is lacking complete plumbing or kitchen facilities, overcrowded conditions with more than 1 person per room, or a housing cost burden where housing costs exceed 30% of income. There are five tracts in Eugene where over 54% of the housing has one or more housing problems. Four are concentrated near the University of Oregon and downtown Eugene, and the fifth is in the River Road area, as shown in the map, [Areas of Concentration of Housing Problems \(Map\)](#). The concentration of college students around the University of Oregon is likely a contributing factor for the concentrations of multiple housing problems around the University of Oregon.

### **Areas of Racial, Ethnic or Low Income Concentration - Eugene**

An 'area of racial concentration' is defined as an area where the percentage of persons of racial minority and/or Hispanic/Latino ethnicity is at least ten percentage points higher than the percentage of persons in the category as a whole. As shown in the map [Areas of Concentration of Minority and Latino Population \(Map\)](#), there are six block groups with a concentration of Latino or Racial background, which are along the West 11<sup>th</sup> Corridor and the University area in Eugene. Racial and ethnic concentration in the University area may be the result of the diversity of college age students living near the University.

An area of low income concentration is defined an area where 51% or more of the residents are low- or moderate-income residents. As shown in the map, [Areas of Concentration of Low- and Moderate-Income Population \(Map\)](#), there are areas throughout Eugene and Springfield with concentrations of poverty. They are concentrated along Highway 99, the downtown area, and near the University of Oregon. People attending college who live off campus are included in the census measure of poverty.

***What are the characteristics of the market in these areas/neighborhoods? – Eugene***

The areas located near the University have a mix of new and older multifamily and single family developments that are largely occupied by college students from varying economic and social backgrounds. University of Oregon has a diverse student population and many international students that are reflected in these neighborhoods. There has been significant development of dense multifamily housing in these neighborhoods over the past five years. Given the proximity to the University of Oregon demand and rents are expected to remain high.

The areas in West Eugene along West 11<sup>th</sup> Avenue and Highway 99 have a mix of more affordable housing stock including multifamily and single family units that borders on industrial areas. In addition, much of the areas emergency and transitional housing is located in these areas. As with the rest of Eugene, vacancy rates are low.

***Are there any community assets in these areas/neighborhoods? - Eugene***

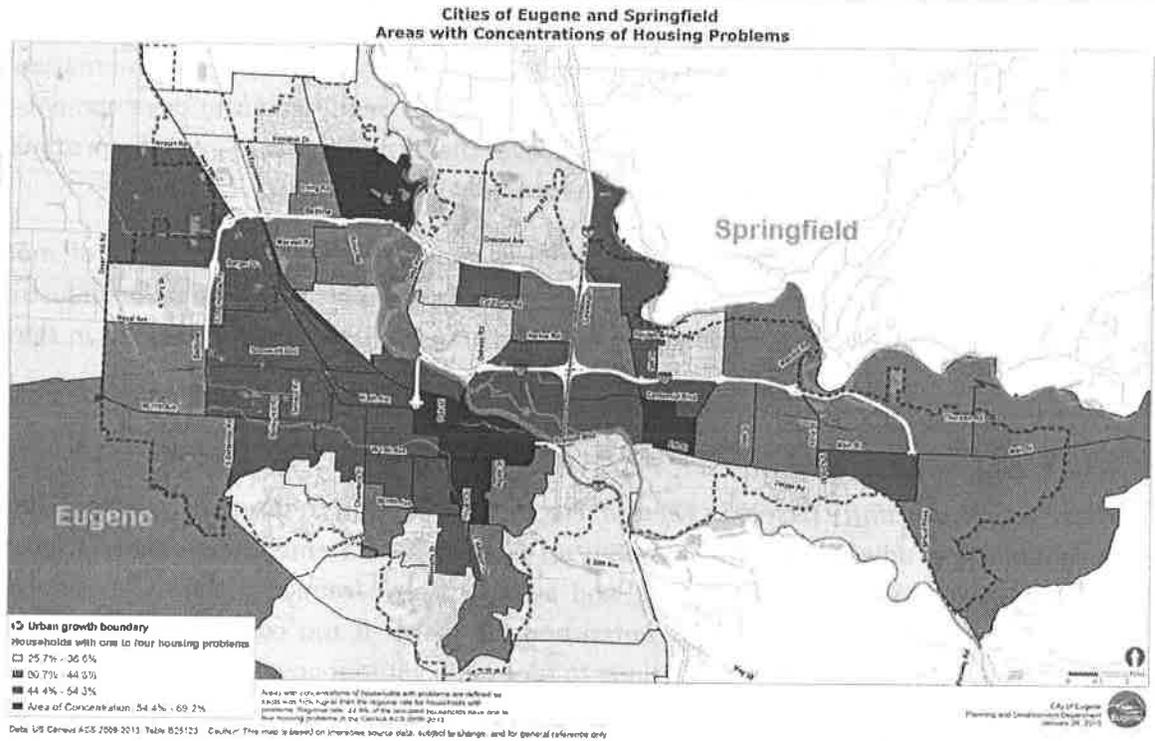
The neighborhoods adjacent to the University of Oregon have tremendous assets including parks, businesses, easy access to campus, and access to high frequency transit. Its primary challenge is the demand for student oriented housing makes it too costly to develop other types of housing. This area is likely to continue to redevelop without any subsidies.

The neighborhoods in West Eugene along West 11<sup>th</sup> Avenue and Highway 99 are close to many jobs in the industrial areas of West Eugene. There is already access to parks and businesses. A new high frequency transit line is under construction on West 11<sup>th</sup> and planning is underway for a line that will serve Highway 99.

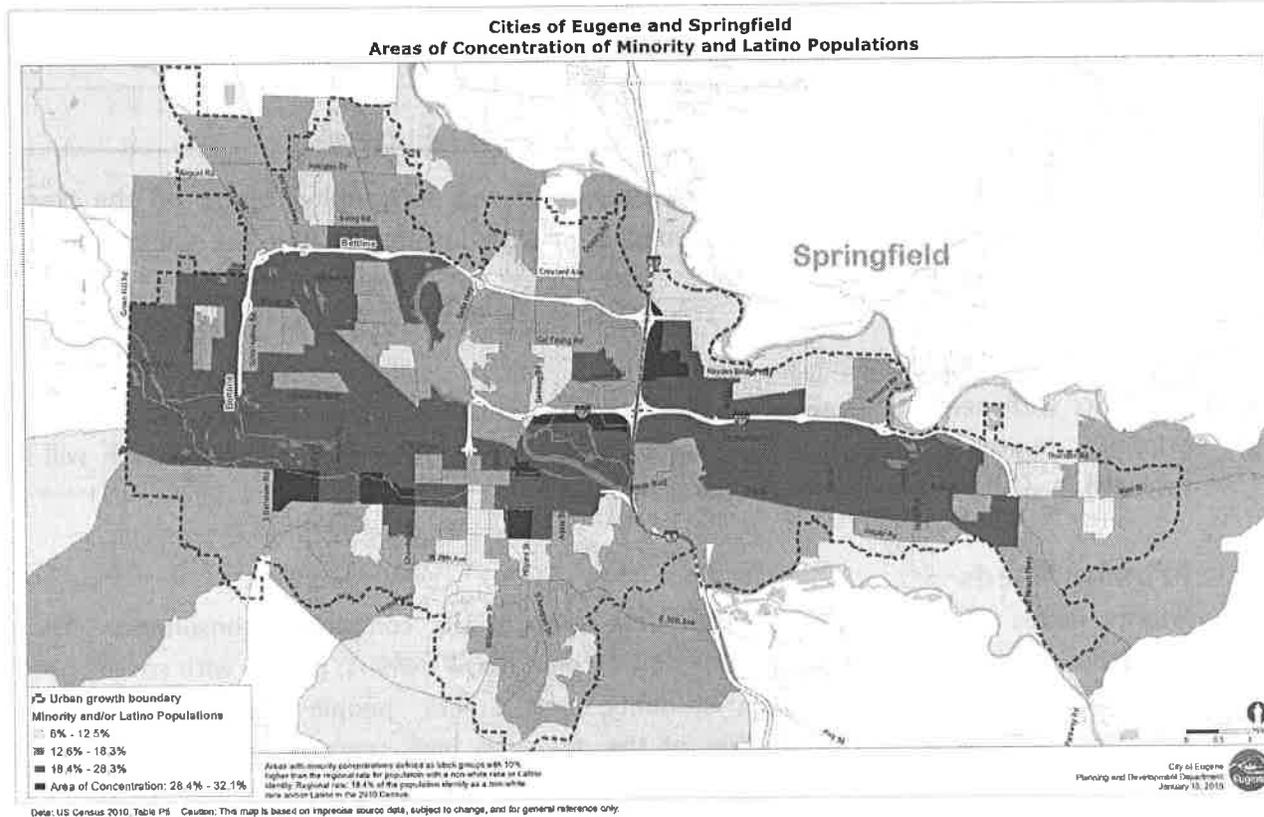
***Are there other strategic opportunities in any of these areas? – Eugene***

More employers continue to invest and expand businesses in West Eugene that will result in more jobs for area residents. The construction and planning of high frequency transit is also creating an opportunity to examine these corridors and develop plans to address critical issues.

80. Areas of Concentration of Housing Problems (Map)



81. Areas of Concentration of Minority and Latino Population (Map)



# Strategic Plan

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## STRATEGIC PLAN 05 STRATEGIC PLAN OVERVIEW - EUGENE

The Strategic Plan identifies the priority needs of the community, based on the Needs Assessment and Market Analysis. It also describes the strategies that the community will undertake to serve the priority needs.

### **Geographic Priorities**

Residents with needs in Eugene are distributed throughout the community. No geographic priority is identified. There are three areas with a concentration of poverty which will be assessed throughout the duration of the plan.

### **Priority Needs**

Priority needs were identified through data analysis and community consultation. Those populations include: low-income renters; low-income home owners; people with special needs including homelessness; disability; students; and others; people who need increased employment opportunities; and areas of the city with high concentrations of low-income people or conditions of slums and blight.

### **Influence of Market Conditions**

Through the Needs Assessment and Market Analysis, it was determined that there remains a large problem with a lack of affordable housing units, including difficulty finding affordable housing with existing tenant-based rental assistance. Little, if any funds are anticipated to be allocated to TBRA. Housing affordability challenges illustrate that it is necessary to continue to add and preserve existing affordable rental and owner-occupied units.

### **Anticipated Resources**

The City of Eugene has CDBG and HOME funds within its control to support the development of affordable housing and community development activities. These funds will leverage a variety of state and local resources.

### **Institutional Delivery Structure**

The system that will deliver this Consolidated Plan is quite comprehensive. These services include access centers, food distribution and meal sites, emergency, transitional and

permanent housing. Services are provided by public agencies, non-profit agencies, CHDO's and the Public Housing Authority (HACSA).

## **Goals**

Following identification of the priority needs, goals were developed that address those priority needs. In addition to meeting priority needs, the goals also reflect eligible uses of HUD funds.

## **Public Housing**

HACSA meets HUD accessibility requirements and is not planning to add additional accessible units at this time. HACSA supports a resident advisory board which provides the opportunity for outreach to and input from the residents of public housing.

## **Barriers to Affordable Housing**

The Cities of Eugene and Springfield have identified barriers to affordable housing, including modifying the infrastructure standards and expediting permitting, and amending permit requirements. Strategies are identified to address these barriers in this section.

## **Homelessness Strategy**

The Cities of Eugene and Springfield support the Lane County Human Services Commission, which has a comprehensive strategy and provides funding for homelessness outreach, emergency and transitional shelters, homelessness prevention and transitions out of homelessness.

## **Lead-Based Paint Hazards**

Given the age of the housing stock, it is estimated that approximately 15,236 housing units in the cities of Eugene and Springfield may pose a lead-based paint hazard to residents. The Cities comply with HUD requirements to identify, stabilize, or remove lead-based paint.

## **Anti-Poverty Strategy**

The Cities coordinate with the Lane County Human Services Commission whose goal is to end the cycle of poverty. Additionally, both cities serve on the newly created Poverty and Homelessness Board, which was created in 2013 to meet the requirements of both the Continuum of Care Board and the Community Action Agency. The Poverty and Homelessness Board is the lead agency for implementing the Continuum of Care Plan aimed at ameliorating poverty and homelessness in Lane County. This plan supports the goals and strategies of both the Human Services Commission and the Poverty and Homelessness Board.

## **Monitoring**

Monitoring is conducted by Eugene and Springfield staff for CDBG-funded activities through site visits and contract monitoring. Eugene, as the HOME Consortium Lead Agency, conducts thorough monitoring of HOME-funded projects.

## STRATEGIC PLAN 10 GEOGRAPHIC PRIORITIES – EUGENE

### **Geographic Area**

The needs in the City of Eugene are located throughout the community, and no area is identified as a priority for purposes of allocating funds for housing, public facilities or public services. There are three areas in Eugene consisting of more than 51% low- to moderate-income residents, and they include Highway 99, River Road area and areas near downtown. While there is no specific geographic priority proposed, these areas are all served through city-wide housing and community development programs. This information is depicted on a map in Section NEEDS ASSESSMENT 10.

## STRATEGIC PLAN 25 PRIORITY NEEDS – EUGENE

### 82. Priority Needs (Table)

Priority Need	Populations served	Associated Goal
<b>Renters</b> - Low and very low-income people need increased access to quality affordable rental housing	Income-Ex low, low, mod All family types All homeless types except rural All non-homeless special needs	Increase the supply of affordable housing Rehabilitate existing housing stock affordable to low-income persons Remove barriers to affordable and supportive housing
<b>Home Owners</b> - Low and very low-income people need increased access to affordable home ownership opportunities and support to remain homeowners	Income-Ex low, low, mod All family types except public housing No homeless types All non-homeless special needs	Increase the supply of affordable housing Rehabilitate existing housing stock affordable to low-income persons Provide down payment assistance for home ownership Remove barriers to affordable and supportive housing
<b>Homeless</b> - People need access to housing and supportive services to prevent them from becoming homeless and to leave homelessness	Income-Ex low, low All family types except public housing All homeless types No non-homeless special needs	Increase the supply of affordable housing Rehabilitate existing housing stock affordable to low-income persons Remove barriers to affordable and supportive housing Support a human services delivery system to address the needs of homeless persons and special needs populations
<b>Non-Homeless Special Needs Populations</b> - People with special needs including seniors, ex-offenders, HIV/AIDS, domestic violence, drug and alcohol addictions, evicted or foreclosed, physical and mental disabilities, veterans, youth, college students, and youth aging out of foster care need additional support for housing and supportive services.	Income-Ex low, low, mod All family types No homeless types All non-homeless special needs	Increase the supply of affordable housing Rehabilitate existing housing stock affordable to low-income persons Remove barriers to affordable and supportive housing Support a human services delivery system to address the needs of homeless persons and special needs populations
<b>Employment Opportunities</b> - People who have low-incomes, are unemployed or underemployed need a broader range of employment opportunities, including self-employment	Income-Ex low, low, mod All family types except elderly No homeless types No non-homeless special needs except non-housing - community development	Promote economic development and employment opportunities through the creation of jobs and business development
<b>Low-Income Areas &amp; Areas of Slums and Blight</b> - Geographic areas defined as an area of slum or blight or as low-income areas need additional support for rehabilitation and public facility improvements	Income-Ex low, low, mod All family types No homeless types All non-homeless special needs	Make strategic investments to improve low-income neighborhoods and other areas of slums and blight

## **Narrative**

The purpose of identifying the community needs and trends, conducting surveys and meeting with providers is to identify what the priority needs are for the low- and moderate-income households in this community for the next five years. Because of the wide gap between housing costs and wages, the priority needs in Eugene focus on reducing that gap, either decreasing the cost of housing, or by increasing the wages of residents.

### ***Renters***

Low and very low-income people need increased access to quality affordable rental housing.

- A significant majority of low-income renters experience a housing cost burden, overcrowding, and/or substandard housing conditions (Eugene – 78%, Springfield – 76%)
- A significant majority of low-income renters spend more than 30% of their income on housing costs (Eugene – 76%, Springfield – 74%)
- A large percentage of low-income renters spend more than 50% of their income on housing costs (Eugene – 51%, Springfield – 34%)

### ***Home Owners***

Low and very low-income people need increased access to affordable home ownership opportunities and support to remain homeowners.

- A significant majority of low-income owners experience a housing cost burden, overcrowding, and/or substandard housing conditions (Eugene – 76%, Springfield – 57%)
- A significant majority of low-income owners spend more than 30% of their income on housing costs (Eugene – 64%, Springfield – 56%)
- A large percentage of low-income owners spend more than 50% of their income on housing costs (Eugene – 40%, Springfield – 31%)

### ***Homeless***

People need access to housing and supportive services to prevent them from becoming homeless and to leave homelessness.

- The 2015 Point in Time Count identified 1,473 people experiencing homelessness.
- Of those, 716 were unsheltered, including 100 veterans, and 229 who reported having mental illness.
- 223 were living in families with children, 697 were chronically homeless, 210 were veterans, and 398 suffered from mental illness.

- Lane County reported that 11,668 unduplicated individuals who were homeless received human services from one or more agencies in fiscal year 2014.
- The three public school districts in Eugene and Springfield report 1,616 homeless youth during 2014, and this definition includes students who are staying with friends or family. The definition of homeless for purposes of the Plan includes people who are “doubled-up.”

### ***Non-Homeless Special Needs Populations***

People with special needs including seniors, ex-offenders, people with HIV/AIDS, victims of domestic violence, people with drug and alcohol addictions, people who are evicted or foreclosed, people with physical and mental disabilities, veterans, youth and college students, and youth aging out of foster care.

- Special needs populations need additional support as it relates to affordable housing, human services, and employment opportunities.

### ***Employment Opportunities***

People who have low-incomes, are unemployed or underemployed need a broader range of employment opportunities, including self-employment.

- Between 2007 and 2010, Lane County lost nearly 16,000 jobs.
- The loss of jobs combined with the subsequent recession, have widened the gap between employed wages and housing costs.

### ***Low-Income Areas and Areas of Slums and Blight***

Geographic areas defined as areas of slums or blight or as low-income areas need additional support for rehabilitation and public facility improvements

- There are several areas in this community that are or could meet the HUD requirement for an area of slums and blight which would allow different uses of CDBG funds. These areas could benefit from increased investments in the area.

There are several areas of this community that are characterized by 51% or more low- to moderate-income residents, which can benefit from increased investments in this area.

## STRATEGIC PLAN 30 INFLUENCE OF MARKET CONDITIONS - CONSORTIUM

### Influence of Market Conditions

If the grantee intends to use HOME funds for tenant-based assistance, the grantee must specify local market conditions that led to this decision.

#### 83. Influence of Market Conditions (Table)

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type <i>(Narrative boxes)</i>
Tenant Based Rental Assistance (TBRA)	Through the Needs Assessment and Market Analysis, it was determined that there remains a large problem with a lack of affordable housing units, including difficulty finding affordable housing with existing tenant-based rental assistance. Little, if any funds are anticipated to be allocated to TBRA.
TBRA for Non-Homeless Special Needs	Through the Needs Assessment and Market Analysis, it was determined that there remains a large problem with a lack of affordable housing units, including difficulty finding affordable housing with existing tenant-based rental assistance. Little, if any funds are anticipated to be allocated to TBRA.
New Unit Production	The housing affordability challenges illustrate that it is necessary to continue to add units to the stock of affordable housing. The Cities of Eugene and Springfield will use a combination of HOME and CDBG funds for land and development subsidies for new construction of affordable housing, as well as for assistance to non-profit sponsors to build capacity for new development.
Rehabilitation	Continued efforts are necessary to preserve existing rental and ownership housing for low-income persons. The Cities of Eugene and Springfield use primarily CDBG funds for this purpose, and use funds to provide assistance for minor home repairs and accessibility improvements. The City of Eugene operates a Housing Revolving Loan Pool with CDBG funds for rental rehabilitation and owner rehabilitation loans. Larger rehab projects may apply through Springfield's annual RFP process.
Acquisition, including preservation	Continued efforts are necessary to preserve existing rental and ownership housing for low-income persons, including subsidized housing units that are at risk of leaving the affordable market. The Cities of Eugene and Springfield use primarily HOME funds for this purpose.



## **Federal leveraging**

The Eugene-Springfield Home Consortium tracks HOME match contributions on a continual basis to ensure compliance with applicable HOME program regulations, which require a minimum 25% matching contribution. The following is a list of non-Federal public and private funding sources that are expected to be available for project development:

Bond Financing: For multi-family affordable housing and single family projects. A portion of the bonds issued by a state, local government, or housing development agency may be considered as HOME match.

Oregon Housing Trust Fund: Administered by the State of Oregon, eligible activities include pre-development, acquisition, construction and rehabilitation costs associated with low-income housing development. The full amount of Oregon Housing Trust Fund loans invested into the project is eligible as HOME match.

Oregon Affordable Housing Tax Credit Program: Administered by the State of Oregon, this program provides below-market interest rates for low-income housing projects. The maximum interest rate reduction is approximately 4% below market, for a maximum term of 20 years. HOME match is calculated by applying the present discounted cash value to the total yield foregone by the lender.

Local Fees: In 1997/98, the Eugene City Council approved an exemption for System Development Charges (SDC) for non-profit sponsored low-income housing projects. The Eugene City Council established a base amount of \$115,000 and has approved inflationary increases each year in addition to the base amount. If not used, these exemptions can be carried forward. The local utility, Eugene Water and Electric Board, also offers a grant for Water SDCs of up to \$100,000 per year. These funds must be used in the year allocated and do not carry forward. These contributions are eligible as HOME match.

Property Tax Exemptions: Twenty-year exemptions from property taxes have been awarded on a project-by-project basis to low-income housing developments. Generally based on the benefits provided to the community and the duration of the low-income housing commitment, property tax exemptions are eligible as HOME match. The amount of match credit is calculated as the current discounted cash value of the tax exemption. After the State of Oregon extended the sunset date for this program, Eugene City Council followed suit in April 2011 by voting unanimously to extend the program at the local level. The program has been extended through the year 2020.

Volunteer Labor: Area non-profit housing developers have been successful in utilizing volunteer labor in their developments. Architects, attorneys, and other professionals have also contributed their services to non-profit housing developments in Eugene. Volunteer labor is eligible as HOME match.

Private Contributions: Cash and materials have been contributed in the past by private businesses, lenders, corporations, and foundations to assist in the development of low-income housing in Eugene. It is expected that future contributions from private sources will continue to provide needed assistance. Private contributions are eligible as HOME match.

Other Federal Resources Used at the Local Level: Federal Low-income Housing Tax Credits are allocated by the State of Oregon and are used to subsidize rental housing developments that are affordable to persons with incomes below 60% AMI. Area projects have typically applied for the 9% tax credits in order to serve a lower-income population. The 9% tax credits are more desirable but statewide demand greatly exceeds available funding.

### **Publicly owned land**

The City of Eugene has a history of utilizing public property for affordable housing. While no specific properties have been dedicated for future affordable housing, the City will continue to look for opportunities.

### **Discussion**

The resources under the direct control of the city include the CDBG and HOME funding for affordable housing. This funding is used strategically to leverage other funds and volunteer contributions.

## STRATEGIC PLAN 40 INSTITUTIONAL DELIVERY STRUCTURE – EUGENE

***Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.***

### 85. Institutional Delivery Structure (Table)

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
City of Eugene	Government agency	Planning, Affordable Housing – Ownership, Affordable housing: rental, Community Development: neighborhood improvements, Community development: public facilities	Jurisdiction
Lane County Human Services Commission – Continuum of Care	Government agency	Homelessness, Non-homeless special needs, Planning, Community development: public services	Region
Private Industry	Private Industry	Affordable housing: ownership, Affordable housing: rental, homelessness, non-homeless special needs	Region
Housing and Community Services Agency of Lane County	PHA	Affordable housing: rental, Affordable housing: ownership, Non-homeless special needs	Region
Non-profit affordable housing developers	CHDO	Affordable housing: ownership, Affordable housing: rental, Non-homeless special needs	Region
Non-Profit Human Service Providers	Nonprofit organization	Affordable housing – ownership, Affordable housing: rental, homelessness, no: homeless special needs, Community Development: public facilities, Community Development: public services	Region

### **Strengths and Gaps in Institutional Delivery System**

The system that will deliver this Consolidated Plan is quite comprehensive. All of the entities listed above will be involved in meeting the affordable housing or social services needs of low-income people.

The two main delivery system components relevant to this focus on housing or services for those in need. The affordable housing component has several key entities including:

The City of Eugene’s Community Development Division is responsible for the administration of the CDBG and HOME programs. The City provides funding to affordable housing owners and developers, and also operates its own assistance loan programs to provide housing rehabilitation. The City works with developers to manage the inadequate supply of housing. Gaps in the housing system include insufficient affordable buildable land, predevelopment funds for housing development and development subsidies, insufficient number of affordable

rental units for existing vouchers, insufficient emergency shelter beds, and lack of funding for first and last month rents.

The delivery system for associated services is largely carried out by non-profit organizations. Some of these organizations also provide housing, providing for greater coordination between housing and services. The gaps in the service system include insufficient support for people to allow them to remain in housing, insufficient affordable drug and alcohol treatment, insufficient affordable medical and dental, and insufficient livable wage jobs.

## Availability of Targeted Services

86. Homeless Prevention Services Summary (Table)

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
<b>Homelessness Prevention Services</b>			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	
Mortgage Assistance	X		
Rental Assistance	X	X	X
Utilities Assistance	X	X	
<b>Street Outreach Services</b>			
Law Enforcement	X		
Mobile Clinics	X	X	
Other Street Outreach Services	X	X	X
<b>Supportive Services</b>			
Alcohol and Drug Abuse	X	X	X
Child Care	X	X	
Education	X	X	X
<b>Employment and Employment Training</b>	X	X	
Healthcare	X	X	X
HIV/AIDS	X	X	X
Life Skills	X	X	
Mental Health Counseling	X	X	
Transportation	X	X	
Other			

## Service Availability for Homeless Persons and Persons with HIV/AIDS

*Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and*

***families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction:***

People living with HIV are able to access the Coordinated Entry system through any one of the **Front Doors** in the community. While the majority of the programs involved in Coordinated Entry do not serve this population specifically, this population is eligible for many of the programs available.

***Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above***

Lane County has many agencies dedicated to delivering high quality services to special populations. The gaps include a lack of funded programs at a level to serve all homeless people in the county. Access to quality safe affordable housing that includes supportive services is limited. While capital funding is limited, funding for services and case management is extremely limited. While many special needs units have been created over time, the supply is not meeting the need at this point in time.

***Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs***

The most effective strategy would be to provide a dedicated revenue source for the housing and social service needs of this community. In the absence of that, increased advocacy for services and increased communication and coordination between providers, funders and the community is needed.

## STRATEGIC PLAN 45 GOALS SUMMARY – EUGENE AND CONSORTIUM

### Goals Summary

87. Goals Summary (Table)

Goal	Priority Needs Addressed	Possible Examples	Funding	Measurements	Eugene/ Springfield Consortium	Eugene
Increase the supply of affordable housing (Consortium HOME and Eugene CDBG)	Renters, Home Owners, Homeless, Special Needs	Land Acquisition. Development of new rental housing. Operating Support for Community Housing Development Organizations	\$4,500,000 (\$3.5 M: Home, \$1 M CDBG)	Number of rental units constructed, reconstructed, acquired or preserved	600	50
				Number of CHDO's Assisted Housing for homeless added	4	
				Number of sites acquired	20	
				Homeowner housing added		2
Rehabilitate existing housing stock affordable to low-income persons (Eugene CDBG)	Renters, Homeless, Special Needs, Low-income Areas, Home Owners	Continue and expand publicly supported rehabilitation and accessibility improvements.	\$2,500,000	Number of rental units rehabilitated		350
				Number of home owner units rehabilitated		150
Provide down payment assistance for home ownership (Eugene CDBG)	Home Owners	Assist low-income residents with the first time purchase of a home.	\$500,000	Households assisted with direct assistance to home buyers		10
Remove barriers to affordable and supportive housing (Eugene CDBG)	Renters, Home Owners, Homeless, Low-income Area Non Homeless Special Needs	Support programs that assure housing opportunities are provided without discrimination. Support Housing Policy Board. Update Fair Housing Plan.	\$100,000	Maintain Housing Policy board		Yes
				Number of fair housing events		20
Support a human services delivery	Homeless, Special Needs	Fund capital improvements to facilities by non-profits. Fund	\$1,750,000 Public services	Maintain Fair Housing services		Yes
				Update Fair Housing Plan		Yes
				Persons assisted with public facility activities		25,000

system to address the needs of homeless persons and special needs populations (Eugene CDBG)	non-profit services through the Human Services Commission.	\$1,200,000 Public facilities	Persons assisted with public service activities	110,000
Promote economic development and employment opportunities through the creation of jobs and business development (Eugene CDBG)	Provide below market financing to local businesses creating or retaining jobs. Provide micro-enterprise training and development opportunities.	\$5,500,000 Business Development Fund	Number of facilities improved	15 facilities
			Number of emergency or transitional beds added	20
			Jobs created or retained	200
			Businesses assisted	50
		\$150,000 Micro Enterprise	Micro business trainees	300
Make strategic investments to improve low-income neighborhoods and other areas of slums and blight (Eugene CDBG)	Provide financing for activities which eliminate slums and blight, including acquisition, clearance, rehab and historic preservation and economic development activities.	\$200,000	Number of projects completed	2

## **Number of Low-income Families Served**

*Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)*

The Eugene-Springfield HOME Consortium will create an estimated 66 rental units that meet the definition of affordable rental housing defined in HOME 91.215(b)(2) and no affordable homeownership units that meet the defined in HOME 91.315(b)(2). The estimated 66 rental units will benefit 10 homeless households, 5 extremely low-income households, 47 very low-income households, and 4 low-income households. This estimate is based on projections of HOME allocations at similar levels to current funding. This estimate would change with any change in HOME funding levels.

## STRATEGIC PLAN 50 PUBLIC HOUSING ACCESSIBILITY AND INVOLVEMENT — CONSORTIUM

### **Required Increase in Accessible Units**

#### ***Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)***

HACSA is not required by a Section 504 Voluntary Compliance Agreement to increase the number of accessible units in the public housing stock.

### **Activities to Increase Resident Involvements**

HACSA has one main resident/participant advisory committee called the Resident Advisory Board. This group meets at least 8 times per year. Also there are numerous site based resident groups in HACSA owned housing. HACSA delivers a customer service survey to all federal housing residents and we ask for input on how we can improve the living environment. This input is used to inform our operating budget process and capital project budget process. HACSA participated in the Livability Lane process including the development of the Assessment of Equity and Opportunities for Affordable Housing Residents survey and report. HACSA will use the recommendations in this report to enhance and refine our resident services programming. Also in 2015 HACSA will be implementing a grant from the Meyer Memorial Trust to educate Section 8 applicants, participants and landlords on the new Section 8 legislation as well as the program most broadly. The grant had an emphasis on outreach and support to the Latino Community in Lane County.

### **Troubled Agency Designation**

#### ***Is the public housing agency designated as troubled under 24 CFR part 902? If so, what is the plan to remove the 'troubled' designation?***

HACSA is not designated as troubled agency.

## STRATEGIC PLAN 55 BARRIERS TO AFFORDABLE HOUSING – CONSORTIUM

### **Barriers to Affordable Housing**

Eugene: This section will be added after the Market Analysis is finalized.

Springfield: There are several areas the City of Springfield could explore to further reduce barriers for the development of affordable housing, including: impact fee waivers for affordable housing, parking requirement adjustments for affordable housing developments; fast track permitting for affordable housing developments; and density bonus incentives for the development of affordable housing. A 2009 analysis of Springfield's Development Code and consultations with local affordable housing developers concurred with this assessment, and Springfield's major comprehensive planning efforts considered the needs of low- and moderate-income residents. For example, the 2011 Residential Land Use and Housing Element of the Springfield 2030 Comprehensive Plan includes specific policies to foster housing diversity, housing choice and affordability. In addition, the 2012 Glenwood Refinement Plan included specific policy direction regarding the development of affordable housing.

### **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

The City of Eugene has worked to established mechanisms for involvement of the Housing Policy Board (HPB) and its staff in policy discussions to address barriers to affordable housing. For instance, HPB and/or staff continue to participate on citizen and technical advisory committees for the Minor Code Amendment Process, the Infill Compatibility Standards and Opportunity Siting project, and the Eugene Comprehensive Lands Assessment.

Springfield will continue to address regulatory barriers to affordable and supportive housing on an on-going basis by engaging the Intergovernmental Housing Policy Board and other affordable housing advocates in the citizen participation efforts for land use and zoning studies to ensure consideration of the needs of low- and moderate-income residents.

## STRATEGIC PLAN 60 HOMELESSNESS STRATEGY – CONSORTIUM

### **Reaching out to homeless persons**

Supporting a human services delivery system to address the needs of homeless persons will directly fund the outreach to homeless persons, especially unsheltered and assessing their individual needs. Funds have historically been awarded to **Catholic Community Services, Food for Lane County, The Relief Nursery, First Place Family Center, St. Vincent de Paul's Lindholm Center Singles Access Center,** and **Womenspace**, a women's shelter. All of these agencies work with homeless persons and all conduct assessments of individual needs.

In addition to operating funds for these agencies that serve unsheltered persons, funds are awarded for capital projects to improve their organizational capacity. These funds are awarded competitively, and priority will be to meet the needs of agencies serving homeless persons.

Through the Continuum of Care, several of these agencies participate in a coordinated entry system which provides an assessment, prioritization and referrals to housing programs in the Continuum of Care. The Continuum of Care includes housing programs for homeless households funded by HUD's Emergency Solutions Grant (ESG) and Continuum of Care (CoC) grant programs. Agencies that participate can complete a Comprehensive Assessment with the household and refer them to the Central Wait List. The assessment includes a prioritization tool that determines the rank of the household on the wait list. Lane County staff maintains the wait list and provide referrals to housing providers.

### **Emergency and Transitional Housing Needs of Homeless Persons**

Supporting a human services delivery system to address the needs of homeless persons will directly fund the emergency and transitional housing needs of homeless persons. Funds have historically been awarded to **First Place Family Center** and **Womenspace** which provide emergency housing.

In addition to operating funds for these agencies that serve unsheltered persons, funds are awarded for capital projects to improve their organizational capacity. These funds are awarded competitively, and priority will be to meet the needs of agencies serving homeless persons.

A variety of social service agencies throughout the Continuum of Care provide **Front Door** services to assess the needs of homeless households. A **Front Door** is one of the agreed upon points into Coordinated Entry, which provides Comprehensive Assessments for household entry into the housing programs funded by HUD's ESG and CoC grant programs for the Homeless Assistance System. Although the hours of operation and manner of interaction with households, phone or face-to-face, may differ by location, households presenting to the **Front**

**Doors** for the Comprehensive Assessment will receive equivalent services regardless of the **Front Door** at which they present.

The Comprehensive Assessment completed by the **Front Door** staff includes a vulnerability index that is used to prioritize the household on the Central Wait List. This vulnerability index indicates the type of housing most appropriate for the household, Transitional Housing/Rapid Rehousing or Permanent Supportive Housing, and determines their prioritization on the list. Households in need of Emergency Shelter are immediately referred to providers in the community. Households are referred to Transitional Housing or Rapid Rehousing programs in the Continuum of Care as space becomes available. Households are referred based on their level of need as determined by the vulnerability index. Households with the highest vulnerability are referred first.

Approximately 56 households are added to the Transitional Housing/Rapid Rehousing Wait List each month. Approximately 21 households are referred to a Transitional Housing or Rapid Rehousing program each month. Of the households referred approximately 43% are successfully enrolled in the Transitional Housing or Rapid Rehousing program.

### **Homelessness Transition**

*Describe how the Plan will help homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.*

The **Front Doors** assessments throughout the Continuum of Care provide referrals to the Permanent Supportive Housing Wait List for households which are determined eligible by the vulnerability index tool. Households which are chronically homeless receive a higher score on the vulnerability index and are prioritized on the Central Wait List. Households which have experienced homelessness the longest and those who are chronically homeless are prioritized higher.

**ShelterCare's Camas Permanent Housing Project** serves chronically homeless individuals and families. Case managers assist with planning, coordination, resource acquisition, skill development and emotional support. A community health worker provides connections and continuity with medical and wellness plans. Services are participant-directed, strengths-based and recovery focused.

**Mainstream Housing Inc.'s Emerald Options** is a permanent housing project that provides long-term, community based housing and supportive services for individual and family homeless households with disabilities, which are particularly vulnerable to homelessness because they often have limited or no income beyond SSI.

**ShelterCare's Safe Haven Shankle** serves chronically homeless adults with a severe and persistent mental illness. On-site services include basic needs, food, shelter, and case management. Individuals successfully move to permanent housing by getting assistance with mental health recovery and connections to the supports they need to create resiliency, self-sufficiency and stability. Goals are to establish stability in the mental, emotional, physical, medical, financial and residential areas of participants' lives.

**HACSA's Shelter Plus Care** sponsor-based rental assistance program provides housing to families and chronically homeless individuals with disabilities. The majority of the participants have co-occurring mental health and substance abuse issues. The program promotes participants' independence and provides them with permanent housing.

**SVDP's First Place Families Project** serves chronically homeless families with children. The project addresses program participant's barriers to employment and housing stability to acquire the means to move toward self-sufficiency. Participants begin planning for their transition to permanent housing at the end of their first month in the program. The wide array of services are designed to meet each family's goals and to assist families to become more self-reliant, and above all, to have the ability to obtain and maintain permanent stable housing.

**SVDP's LIFT (Living Independently Following Treatment)** is an inter-agency collaborative project. It fills an unmet need for services to promote self-sufficiency of chronically homeless individuals and families with co-occurring mental illness and addictions. Participants are provided permanent housing in SVDP-owned affordable housing complexes in the Eugene/Springfield area. LIFT's target population have had repeated episodes of homelessness, incarcerations, and have cycled through inpatient addiction treatment an average of three times. LIFT provides the following core services to all participants: intensive team case management, post inpatient treatment support groups, individual and group counseling, and family reunification support.

**SVDP's Vet LIFT** is a permanent housing project serving chronically homeless veterans with dual diagnoses of a mental disorder with substance abuse. The project addresses the need for permanent housing for homeless individuals with disabilities and their need of support, skills and resources to obtain and maintain self-sufficiency. The Vet LIFT program houses participants in single bedroom apartments and offers an array of supportive services to address the multiple barriers to stability. Supportive services are structured to enable Vet LIFT participants to meet

three core goals: 1) maintain permanent housing, 2) enhance and maintain clean and healthy living, and 3) enhance the quality of life.

**SVDP's Vet LIFT 5** program provides permanent housing for homeless female veterans. Female veterans face multiple barriers to housing stability. Those who have experienced sexual trauma have little ability to trust bureaucratic systems which often turned a deaf ear to their complaints of harassment or assault. SVDP provides intensive case management, budgeting and financial planning, vocational services and assistance in resolving outstanding legal issues.

All of the programs listed above utilize case managers, community resources and partnerships with other agencies to make the transition to permanent housing and independent living. Each of these programs receives referrals exclusively from the Central Wait List, which prioritizes chronically homeless households. Each of these programs works closely with homeless households to assist them in finding affordable housing and preventing them from becoming homeless again.

### **Homelessness Prevention**

*Describe how the Plan will help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs*

The Lane County Human Services Division funds a number of Homeless Access Centers and Community Service Centers in Lane County, providing a variety of resources including access to mainstream benefits, food boxes, parent education, employment services, social services, youth needs and homeless prevention.

Homeless Access Centers are designed to serve homeless individuals and families and include meals, showers, laundry, hygiene kits, computer access, mail boxes, transportation assistance, clothing, emergency shelter, assistance with access to mainstream benefits, and Rapid Rehousing assistance and provides Front Door services for Coordinated Entry.

## STRATEGIC PLAN 65 LEAD-BASED PAINT HAZARDS - EUGENE

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

The health risk to young children posed by lead-based paint in residential dwellings is an important local and national issue. Progress in research and technology during the past 25 years has improved the understanding of how children are poisoned and our knowledge of how to better protect them. To address this problem, HUD published its Final Rule to Title X of the 1992 Housing and Community Development Act on September 15, 1999. This rule requires certain prescribed actions by HUD grantees to identify, stabilize, or remove lead-based paint hazards in housing receiving HUD assistance.

The scope of activities required by HUD is largely dependent upon the type of housing affected and the amount of Federal assistance provided. Rehabilitation activities using in excess of \$25,000 of HUD funds require the highest level of treatment. The rule only affects residential structures built before 1978. In the cities of Eugene and Springfield, approximately 61% (56,000) of total housing units were built prior to 1980, and may contain lead-based paint. Given the age of the housing stock, it is estimated that approximately 15,236 housing units in the cities of Eugene and Springfield may pose a lead-based paint hazard to residents. The Cities comply with HUD requirements to identify, stabilize, or remove lead-based paint.

#### ***How are the actions listed above related to the extent of lead poisoning and hazards?***

Lane County Public Health does not test or collect this information. The City has thoroughly integrated state and federal lead safe housing rules into its CDBG- and HOME-funded rehabilitation and acquisition programs, and works diligently to ensure any hazards discovered in the course of a City-funded activity are addressed and remediated appropriately. By addressing lead hazards as they are encountered in City-funded projects and helping contractors understand and implement lead safe work practices, the number of homes presenting lead hazard risks will be reduced and in turn, the potential number of future poisonings will be reduced as well.

#### ***How are the actions listed above integrated into housing policies and procedures?***

The City utilizes a variety of policies and procedures in delivering its housing assistance grant and loan programs. Primary guidance for these policies and procedures is drawn from federal requirements found at 24 CFR Part 35, "Lead-based Paint Poisoning Prevention in Certain Residential Structures," and from state requirements found at OAR 333-070, "Pre-renovation Education and Renovation, Repair and Painting Activities Involving Lead-based Paint." Summaries of these rules and their requirements for housing owners, operators, developers,

and sponsors are provided in writing to entities applying for housing project funding through an applicant guidebook, and verbally through onsite inspections and evaluations of projects where lead hazards are or may be present.

The City's owner-occupied housing loan program policies also require compliance with both state and federal lead paint regulations, and stipulate specifically that "all contractors, owners, and volunteers performing lead paint-related work on the property must have completed the applicable training requirements and must perform the work in compliance with both HUD's *Lead Safe Housing Rule* and the Environmental Protection Agency's (EPA) *Renovation, Repair, and Painting Rule*." As is the case with larger housing rehabilitation projects, in each owner rehab project the City's Lead Risk Assessor either develops or reviews scopes of work to address lead hazards, oversees the work of contractors as they carry out these scopes of work, and confirms that identified hazards have been addressed prior to project completion.

## STRATEGIC PLAN 70 ANTI-POVERTY STRATEGY – EUGENE

### **Goals, Programs and Policies for reducing the number of Poverty-Level Families**

Over the last 42 years, the Cities of Eugene and Springfield have worked collaboratively with Lane County to reduce poverty throughout the county by way of the Human Services Commission (HSC). This collaborative model efficiently distributes limited funds to agencies throughout the County. The HSC is managed by the Human Services Division within Lane County's Department of Health and Human Services. Funds are allocated to non-profit and public human service providers in Lane County's Human Service Network, through a bi-annual bidding process.

The HSC has also adopted the following policies to guide its decisions:

- End the cycle of poverty
- Create good health and ongoing wellness
- Prevent or end homelessness
- Assist low-income residents to make their housing energy efficient
- Provide education and training opportunities
- Secure employment and an adequate income
- Treat substance abuse and mental illness
- Prevent unintended teen pregnancy
- Prevent juvenile delinquency
- Stop child abuse and neglect

Since 1972, the HSC has effectively focused its efforts to make the greatest impact with limited public funds. Additionally, the HSC supports programs that provide energy assistance, energy conservation education, financial assistance, and home weatherization.

In 2013, the Poverty and Homelessness Board (PHB) was created to meet the requirements of both the Continuum of Care Board and the Community Action Agency. The PHB is the lead agency for implementing the Continuum of Care Plan aimed at ameliorating poverty and homelessness in Lane County. The goals of the PHB include:

- Promote community-wide commitment to the goal of ending homelessness and assisting low-income individuals to meet their basic needs and achieve self-sufficiency.
- Promote access to and effective use of mainstream programs.
- Plan systematically for and evaluate programs, including actions to develop information as to the problems and causes of homelessness and poverty in the community, to

determine how much and how effectively assistance is being provided to deal with those problems and causes, and to establish priorities among projects, activities, and areas as needed for the best and most efficient use of resources.

***How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan***

This Plan is written to support and supplement the programs and services that are provided to reduce poverty with housing, service and community development strategies. Each strategy in the Plan is designed to either increase the available income for low-income residents or to provide access to appropriate, affordable housing. The Plan was written in consultation with the governmental and non-profit providers with primary responsibility for service delivery and planning. This Plan, and the annual Action Plans that will be based on it, will be key elements in addressing and reducing poverty in Eugene.

## STRATEGIC PLAN 80 MONITORING – EUGENE

***Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements***

The City of Eugene and Springfield staff performs a number of procedures to monitor performance in relation to the objectives stated in the Consolidated Plan and to ensure compliance with Federal regulations. Performance measurements for the CDBG and HOME are identified in the Consolidated Plan. Progress towards these measures is contained in the annual Consolidated Annual Performance Evaluation Report (CAPER).

Local non-profit service providers sign contracts that set goals, scope of work, and identify the budget for the use of CDBG funds. These contracts are administered by Lane County. Quarterly progress reports are submitted and at mid-year, staff from Eugene, Springfield and Lane County conduct a desk audit and risk assessment of each agency's performance. A follow up letter is sent to the agency identifying any issues or concerns. These issues are addressed in an on-site follow-monitoring of selected agencies.

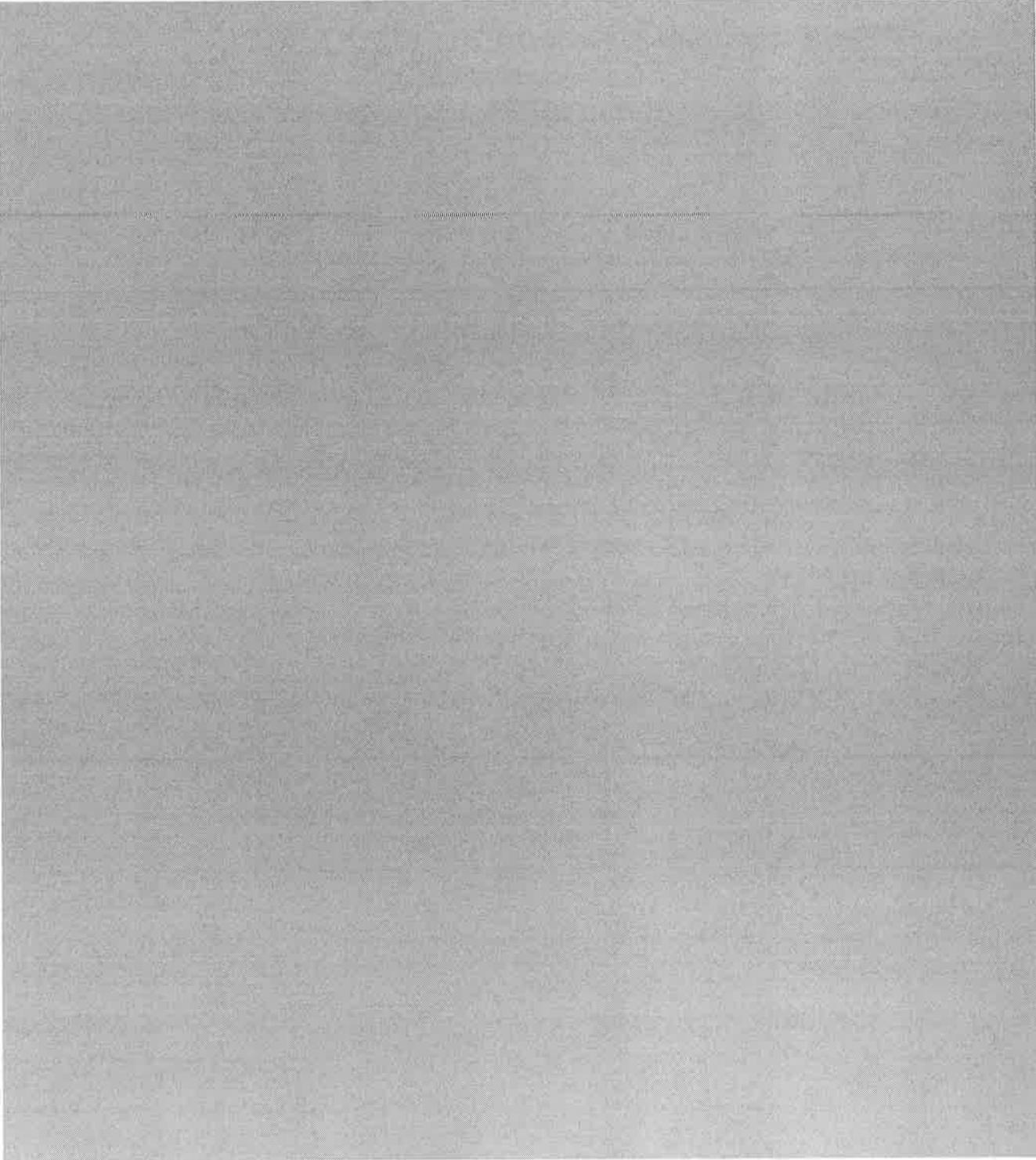
For physical improvements to Eugene non-profit agency facilities, the City of Eugene directly contracts for the work. The use of funds triggers a period of benefit; a Trust Deed is recorded as lien against the property to secure the City's interests.

For HOME-Assisted Housing Developments, the developer is required to submit a summary of income certifications annually. On site monitoring will be conducted annually by the City of Eugene. Individual tenant files are reviewed for tenant income certifications, HOME lease provisions and tenant protections, initial lease period, and rent and utility levels. The City inspects rental developments assisted with HOME funds during the affordability period on a one, two, or three year cycle depending on the total number of units.

A project manager is assigned to each Federally-funded project. The project manager reviews the project for compliance throughout the implementation of the project. The project contract includes a scope of work, timeline and budget.

The Cities of Eugene and Springfield monitor expenditures throughout the fiscal year and maintain projections in order to ensure the timely expenditure of funds. By mid-year, if it is apparent that expenditures are lagging, ready-to-go projects are identified and reprogramming the funds is recommended.

The City of Eugene monitors minority business outreach efforts by HOME and CDBG grant and loan recipients at the time of project completion and closeout. In addition, the City reviews overall minority business outreach policies and procedures during development of Consolidated Annual Performance and Evaluation Report.



**Element 11.**

**Fiscal Year Audits**

**HOUSING AND COMMUNITY SERVICES  
AGENCY OF LANE COUNTY**

**Financial Statements and Supplementary Information  
for the year ended September 30, 2014 and Independent  
Auditor's Report and Single Audit Reports**

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## INTRODUCTORY SECTION

**HOUSING AND COMMUNITY SERVICES  
AGENCY OF LANE COUNTY**

SEPTEMBER 30, 2014

**BOARD OF COMMISSIONERS**

Pat Farr	125 E. 8 <sup>th</sup> Avenue Eugene, OR 97401
Jay Bozievich	125 E. 8 <sup>th</sup> Avenue Eugene, OR 97401
Faye Stewart	125 E. 8 <sup>th</sup> Avenue Eugene, OR 97401
Sid Leiken	125 E. 8 <sup>th</sup> Avenue Eugene, OR 97401
Pete Sorenson	125 E. 8 <sup>th</sup> Avenue Eugene, OR 97401
Charene Reavis	125 E. 8 <sup>th</sup> Avenue Eugene, OR 97401
Hugh Massengill	125 E. 8 <sup>th</sup> Avenue Eugene, OR 97401

**ADMINISTRATION**

Larry Abel	Executive Director
Jacob Fox	Deputy Director
Valerie Warner	Finance Director

**FINANCIAL SECTION**



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## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Housing And Community Services Agency of Lane County  
Eugene, Oregon

### Report on the Financial Statements

We have audited the accompanying financial statements of the Housing And Community Services Agency of Lane County ("HACSA"), a component unit of Lane County, Oregon and its discretely presented component units, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise HACSA's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of HACSA and its aggregate discretely presented component units as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of a Matter***

As described in Note 16 to the financial statements, effective October 1, 2013, HACSA adopted the provisions of Government Accounting Standards Board (GASB) Statements No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise HACSA's basic financial statements. The supplementary information on pages 40 through 54, and the schedule of expenditures of federal awards on pages 64 through 67, is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary information and schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise HACSA's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2015, on our consideration of HACSA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering HACSA's internal control over financial reporting and compliance.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated June 26, 2015 on our consideration of HACSA's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

*Bjorklund & Montplaisir*

Portland, Oregon  
June 26, 2015

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) of the Housing And Community Services Agency (HACSA) of Lane County's financial performance provides an overview of the Agency's financial activities for the fiscal year ended September 30, 2014. Please read it in conjunction with the Agency's financial statements, which begin on page 11.

### FINANCIAL HIGHLIGHTS

- The Agency reported combined net position (assets less liabilities) of \$48,981,075 as of September 30, 2014. This represents an increase of \$332,567 or .7% from the prior year net position of \$48,648,508.
- Total assets were \$57,777,220 which was a decrease of \$269,157 or .5% from FY 2013 total assets of \$58,046,377.
- Total liabilities were \$8,796,145 which was a decrease of \$601,724 or 6.4% from FY 2013 total liabilities of \$9,397,869.
- 25.7%, or \$12,579,429, of combined net position was unrestricted and therefore had no constraints on future use. This compares to \$11,569,728, the amount for the prior year.
- Total operating revenue for the year ended September 30, 2014 aggregated \$26,749,654, an increase of \$461,861 or 1.8% over the prior year.
- Total net operating loss was \$804,158 for fiscal year 2014. In the prior year, total net operating loss was \$1,009,516; a decrease of \$205,358.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements which are listed in the Table of Contents. The basic financial statements reflect the financial position, results of operations and cash flows of HACSA, as a whole, as of and for the year ended September 30, 2014.

The basic financial statements for the fiscal year ended September 30, 2014, are presented in two columns: primary government and discretely presented component units. The primary government of HACSA includes all HACSA programs, including the Housing Choice Voucher Program (also known as Section 8), the Housing Division programs, the Community Services Programs and the blended component units; HACSA Partner LLC, HousingPlus, Walnut Park Limited Partnership, The Orchards Limited Partnership and Laurel Gardens Limited Partnership. The discretely presented component unit column includes eight low-income housing tax credit limited partnerships/limited liability corporations. For a more detailed discussion of the reporting entity, see Notes to the Financial Statements #1.

One of the most important uses of the MD & A is to compare the current year financial position and changes in net position to the previous year. The Statement of Net Position, the Statement of Revenue, Expenses and Changes in Net Position and the Statement of Cash Flows report information about HACSA as a whole in a way that supports this comparison. The tables, charts, and comments all pertain to the primary government.

The supplemental information reflects the combining financial statements of all of the Agency's separate programs. The Financial Data Schedule (FDS) is required by the United States Department of Housing and Urban Development (HUD). HUD has established Uniform Financial Reporting Standards that require HACSA to submit financial information electronically using the FDS format. The numbers in the left-hand column of the supplemental schedules reflect HUD's chart of accounts.

## Overview of the Financial Statements

The Statement of Net Position presents HACSA's financial position as of September 30, 2014. It is a snapshot of the Agency's accounts on that specific date. Assets are defined as what the Agency owns and liabilities are what it owes. Therefore, net position is simply what is owned less what is owed.

While the Statement of Net Position presents the financial position as of a specific date, the Statement of Revenue, Expenses and Changes in Net Position measures the Agency's results and change in net position for a period of time; in this case the year ended September 30, 2014.

The Statement of Cash Flows is an analysis of the increase or decrease in the Agency's cash balances during the year.

Generally accepted accounting principles (GAAP) requires state and local governments to use the enterprise fund type to account for business-type activities. All of the Agency's transactions are recorded in one enterprise fund. Enterprise funds use the accrual basis of accounting; revenue is recorded when earned and expenses are recorded when incurred, regardless of when the cash is received or disbursed.

## FINANCIAL ANALYSIS

### Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of HACSA, assets exceeded liabilities by \$48,961,075 at the close of the fiscal year. Net position increased by \$332,567 over the prior year's figure of \$48,648,508. The following table provides a summary of HACSA's net position for 2014 compared to 2013.

**TABLE 1  
NET POSITION**

	September 30,	
	2014	2013
Current Assets	\$ 9,180,754	\$ 9,072,359
Fixed Assets, Net	40,927,240	41,019,094
Other Assets	7,669,226	7,954,924
Total Assets	<u>57,777,220</u>	<u>58,046,377</u>
Current Liabilities	1,429,505	2,082,325
Noncurrent Liabilities	7,366,640	7,315,544
Total Liabilities	<u>8,796,145</u>	<u>9,397,869</u>
Net Position:		
Investment in Capital Assets, net of related debt	34,000,673	34,366,956
Restricted Net Position	2,364,278	2,711,824
Unrestricted Net Position	12,616,124	11,569,728
<b>Net Position</b>	<b><u>\$ 48,981,075</u></b>	<b><u>\$ 48,648,508</u></b>

The entity-wide increase in net position of \$332,567 is the sum of the results of HACSA's various programs, most of which typically experience a reasonably narrow range of variability in operating results from year to year. During FY2014 the Rural Rental Assistance projects report an increase in net position of \$134,781, significantly less than the prior year increase of \$1,944,107. The prior year increase was due to inclusion of capital grant funds of approximately \$2 million, which can be seen on the chart below on the line labeled Development Grants. Other programs did not perform significantly different than in the prior year.

**TABLE 2  
CHANGES IN NET POSITION**

	<b>Year Ended September 30,</b>	
	<b>2014</b>	<b>2013</b>
<b>Operating Revenues:</b>		
Dwelling Rent	\$ 4,022,644	\$ 3,668,717
Housing Assistance Grants	16,672,003	16,943,709
HUD Operating Subsidies	3,364,870	3,206,761
Other Government Grants	1,910,328	1,262,573
Other Income	779,809	1,206,033
	<u>26,749,654</u>	<u>26,287,793</u>
<b>Operating Expenses:</b>		
Housing Assistance Payments	15,714,032	15,909,232
Administration	4,771,909	4,651,625
Tenant Services	64,998	64,820
Utilities	839,126	810,831
Ordinary Maintenance	4,072,806	3,960,967
Protection Services	21,757	21,533
Insurance Premiums	166,977	153,732
Other General	411,084	379,963
Non-routine Maintenance	88,662	19,340
Depreciation	1,402,461	1,325,266
Total Operating Expenses	<u>27,553,812</u>	<u>27,297,309</u>
Operating Loss	(804,158)	(1,009,516)
<b>Nonoperating Revenue, Expense and Capital Contributions:</b>		
Interest Income	289,130	312,872
Gain on acquisition of limited partner interests	-	296,294
Equity in loss of limited partnerships	(501)	(182)
HUD Capital Grants	908,733	1,118,212
Development Grants	187,841	2,001,624
Interest Expense	<u>(228,605)</u>	<u>(223,770)</u>
<b>Increase in Net Position</b>	<u><u>\$ 352,440</u></u>	<u><u>\$ 2,495,534</u></u>

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

HACSA's investment in capital assets is comprised of land, buildings, equipment and construction in progress, with buildings representing the largest component. The capitalization threshold is \$5,000. The figures in the following table represent the historical cost of the capital assets.

During fiscal year 2014, \$1,418,352 was added to total capital assets, before depreciation. The most significant item was the purchase of a piece of land for \$407,000. This land will later be donated to a limited partnership and will be the site of a tax credit funded development project called The Oaks-at-14<sup>th</sup>. Other capital improvements include parking lot improvements, fencing, kitchen remodels and other minor work to HACSA's public housing. Overall, \$981,902 was spent on site and building improvements and \$23,166 on equipment. The cost of these improvements will remain in the construction in progress line until the capital grant funding the work is closed out.

**TABLE 3  
CAPITAL ASSETS**

	September 30,	
	<u>2014</u>	<u>2013</u>
Land	\$ 9,176,774	\$ 8,740,324
Buildings and improvements	61,447,813	61,482,478
Furniture and equipment	2,945,569	2,956,233
Construction in progress	<u>1,524,300</u>	<u>615,233</u>
Totals	75,094,456	73,794,268
Less: accumulated depreciation	<u>(34,167,216)</u>	<u>(32,775,174)</u>
<b>Net Capital Assets</b>	<u><u>\$ 40,927,240</u></u>	<u><u>\$ 41,019,094</u></u>

### Long-term Debt

HACSA's long-term debt includes bonds and notes payable which were incurred to purchase or rehabilitate low income housing. The debt is payable from the net cash flow of operations and is secured by the real property.

Long-term debt from bonds and notes totals \$6,907,872 on September 30, 2014. This is a net increase of \$37,043 over the prior year's total of \$6,870,829. New debt in FY2014 includes a \$400,000 note payable for the land purchased for The Oaks-at-14<sup>th</sup> project and \$178,211 increase to the Norseman Village debt as a construction loan was converted to a permanent loan and accrued interest was added to principal.

**TABLE 4  
LONG TERM DEBT**

	September 30,	
	<u>2014</u>	<u>2013</u>
Bonds, net of accretion of bond discount	\$ 496,178	\$ 564,186
Notes payable	<u>6,411,694</u>	<u>6,306,643</u>
<b>Total</b>	<u><u>\$ 6,907,872</u></u>	<u><u>\$ 6,870,829</u></u>

## BUDGETS, SIGNIFICANT CHANGES AND ECONOMIC FACTORS

HACSA's budget for the year ended September 30, 2014 was approved by the HACSA Board of Commissioners in September 2013. HACSA's Board of Commissioners includes two appointed commissioners who are public housing residents and five commissioners from the Lane County Board of Commissioners. HACSA is a component unit of Lane County and its financial statements are, therefore, included in Lane County's financial statements. The budget authorized total spending of \$27,299,200, allocated to HACSA's major programs as follows.

**TABLE 5  
BUDGET ALLOCATIONS FOR FISCAL YEAR 2014**

Section 8 Division	\$ 17,132,800
Public Housing Division	6,654,500
Community Services Division	3,511,900
<b>Total</b>	<b><u>\$ 27,299,200</u></b>

HACSA's budget is primarily supported by federal funds (84%), with the majority coming from the Department of Housing and Urban Development (76%). Consequently, HACSA is affected more by Federal budget appropriations than by local economic conditions.

The budget for the year ending September 30, 2015 was approved by the HACSA Board on September 30, 2014.

**TABLE 6  
BUDGET ALLOCATIONS FOR FISCAL YEAR 2015**

Section 8 Division	\$ 16,817,800
Public Housing Division	7,644,500
Community Services Division	4,110,200
<b>Total</b>	<b><u>\$ 28,572,500</u></b>

### **HUD Funding**

In January 2014, in a rare moment of bipartisanship, Congress passed a budget for FY 2014. We were previously under a continuing resolution for four of the past six years. The FY 2014 budget resulted in significant increases compared to our austere FY 2013 budget, which included sequestration. Congress was able to carry this budget forward to FY 2015 (with small increases for inflation).

On June 9, 2015 the House of Representatives approved its FY 2016 Transportation, Housing and Urban Development (THUD) spending bill. This bill makes cuts to critical housing and community development programs and has been threatened with a veto by President Obama. The Senate Appropriations THUD Subcommittee approved its 2016 spending bill on June 23, 2015. The full Senate Appropriations Committee will consider the bill on June 25th. The bill maintains the cost of assistance to all families currently served by the public housing and housing choice voucher programs. However, cuts were made to several key housing and community development programs, most notably HOME, which was cut 93% from its historically low level of \$900 million to just \$66 million. HOME is the only national grant program designed specifically for the production of affordable housing. The bill also makes a \$132 million cut to the public housing capital fund. This would result in another decrease in HACSA's capital grant. The inability of Congress to jointly pass a budget that the President will sign could lead to a continuing resolution with the risk of significant decreases and a return to sequestration.

## HACSA Programs

HACSA's three largest programs are Section 8 Housing Choice Vouchers (HCV), Public Housing and Community Development. The HCV and Public Housing programs are reliant on HUD funding.

### Section 8 Housing Choice Vouchers Program

The Section 8 (Housing Choice Voucher) program is funded by HUD on a calendar year and funding is based on the housing authority's lease rate in the prior year. If the housing authority had 100% of available vouchers under lease in the prior year, then the subsequent year's funding will be based on that amount, usually modified by a small margin (i.e. 1%) to accommodate increasing per unit costs, and then further modified by a proration percentage that reflects the availability and/or allocation of federal funds to the program. For calendar 2014, HACSA's lease rate averaged 93.87% of the 2,817 vouchers available. For calendar 2015, funding was based on this low lease rate and further modified by a 99.4% proration. In early 2015, HACSA began a push to raise the lease rate and as of June 23, 2015, it is back up to 99.9%. Depending on per unit costs, it is likely that HAP expense will exceed HAP revenue for 2015 and the agency will draw down reserves during the year. Our goal is for 2016 funding to be based on a 2015 lease rate of 100%.

At the start of calendar 2014, HACSA also had an allocation of 160 vouchers for homeless veterans under the HUD-Veterans Affairs Supportive Housing (VASH) program. We received an additional allocation of 51 VASH vouchers in October 2014. Funding for the VASH program is adequate. As of May, 2015, this program is at a 74.88% lease rate. Housing homeless veterans is a priority in our community. HACSA is partnering with Lane County, the City of Eugene, the Department of Veterans Affairs and many non-profits and individuals in a community-wide effort, "Operation 365 Veterans", to end veteran homelessness this year.

Administrative fees for the Housing Choice Voucher program are based on the number of vouchers leased at the beginning of each month multiplied by an amount deemed reasonable by HUD for successful program administration in our locality. The resulting amount is then prorated at 74 % (as compared to 75% last year). This deliberate underfunding puts a tremendous burden on staff to deliver program services in a timely fashion.

### Public Housing Program

HACSA has a total of six Asset Management Projects (AMPS), which encompass all of our 708 public housing units. HUD funded our Public Housing operating subsidy for calendar year 2015 at 82.35% (as compared to 89% last year) of the amount that they considered adequate. Again, our property management and maintenance staffs are extremely overworked.

In addition to operating subsidies, HUD provides PHAs with capital grants for improvements to and modernization of public housing units. The following chart illustrates that the total cap grant and cap grant per unit are on a downward trend over the last 6 years, making it difficult to maintain the public housing stock.

**TABLE 7  
CAPITAL GRANTS**

<u>Year</u>	<u>Total Capital Grant</u>	<u>Per Unit</u>
2010	1,256,000	1,774
2011	1,043,757	1,474
2012	961,540	1,358
2013	927,276	1,310
2014	965,384	1,364
2015	952,712	1,346

## Community Development

Two significant activities reported under Community Development are Weatherization and Development.

### Weatherization

Cost effective measures are installed by private contractors and are paid for with public and private funds from federal grants and participating electric and national gas utilities. Fifteen separate funding sources make up this year's budget. Funding aggregated \$1,501,324 during the fiscal year ended September 30, 2014. This was quite a significant increase from the 2013 amount of \$1,001,056. The increase was achieved by a new program manager who was given a clear goal to reinvigorate the program.

### Development

HACSA is the general partner or the managing member in a number of limited partnerships and limited liability companies formed to finance the construction of affordable housing. These entities appear in the aggregate in this report as discretely presented component units. In December 2014, federal low-income housing tax credits were awarded to HACSA for the construction of Bascom Village II, a 49 unit development. This construction will begin in the summer of 2015. In June 2015, federal low-income housing tax credits were awarded to HACSA for the construction of The Oaks-at-14<sup>th</sup>, a 55 unit development being built as permanent housing for ex-offenders who successfully graduate from a transitional housing program. Construction of The Oaks-at-14<sup>th</sup> is expected to begin in April 2016.

### HUD's Real Estate Assessment Center (REAC)

REAC evaluates all public housing authorities (PHAs) on an annual basis. Using the Public Housing Assessment System (PHAS), PHAs are rated for the physical status of their properties, financial condition, management proficiency, and capital fund compliance. An aggregate score of 90 or above designates the PHA as a "High Performer." HACSA has received a high performer designation since PHAS scoring has been in place, and continues the trend with a score of 92 out of 100 for the year ended September 30, 2014.

**TABLE 8**  
**PUBLIC HOUSING ASSESSMENT SYSTEM**  
**Fiscal Year 2014**

<b>PHAS Indicators</b>	<b>Score</b>	<b>Maximum Score</b>
Physical	37	40
Financial	23	25
Management	22	25
Capital Fund	10	10
<b>PHAS Total Score</b>	<b>92</b>	<b>100</b>

### CONTACTING HACSA'S FINANCIAL MANAGEMENT

This financial report is intended to provide its citizens, taxpayers, creditors and stakeholders with a general overview of HACSA's finances and to show the Agency's accountability for the money it receives. If you have questions about this report or wish to request additional information, contact Valerie Warner, Finance Director, Housing And Community Services Agency of Lane County, 177 Day Island Road, Eugene, OR, 97401; email: [vwarner@hacsa.us](mailto:vwarner@hacsa.us); telephone: (541) 682-2525.

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**BASIC FINANCIAL STATEMENTS**

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2014**

	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 2,211,734	\$ 601,628
Restricted cash and cash equivalents	2,502,400	1,442,640
Short-term investments	2,672,755	-
Accounts receivable:		
HUD	190,725	-
Tenants	58,086	2,078
Other	1,172,821	41,742
Interest receivable	19,040	-
Due from HACSA	-	24,314
Notes receivable	26,339	-
Inventories	61,956	-
Prepaid expenses	264,898	22,660
Total current assets	<u>9,180,754</u>	<u>2,135,062</u>
<b>NONCURRENT ASSETS:</b>		
Interest receivable	1,238,524	-
Notes receivable from component units and related parties	4,783,420	-
Investments in limited partnerships	1,319,730	-
Other	327,552	570,359
Capital assets:		
Nondepreciable	10,701,074	1,946,871
Depreciable	<u>30,226,166</u>	<u>20,782,652</u>
Total capital assets	<u>40,927,240</u>	<u>22,729,523</u>
Total noncurrent assets	<u>48,596,466</u>	<u>23,299,882</u>
Total assets	<u>\$ 57,777,220</u>	<u>\$ 25,434,944</u>

<b>LIABILITIES</b>	<u>Primary Government</u>	<u>Discretely Presented Component Units</u>
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 246,019	\$ 32,679
Accrued payroll expenses	45,622	-
Other accrued liabilities	138,952	18,441
Accrued interest	20,847	8,614
Payable to HACSA	-	213,532
Refundable security deposits	357,655	116,600
Prepaid rent	2,583	7,468
Current portion of compensated absences	268,848	-
Current portion of bonds and notes payable	348,979	93,220
Total current liabilities	<u>1,429,505</u>	<u>490,554</u>
<b>NONCURRENT LIABILITIES:</b>		
Compensated absences, net of current portion	115,220	-
Bonds and notes payable, net of current portion	6,558,893	6,119,293
Notes payable - HACSA	-	4,771,459
Family self sufficiency escrow	358,443	-
Payable to component units	334,084	-
Payable to HACSA	-	191,621
Accrued interest - HACSA	-	1,064,597
Total noncurrent liabilities	<u>7,366,640</u>	<u>12,146,970</u>
Total liabilities	<u>8,796,145</u>	<u>12,637,524</u>
<b>NET POSITION:</b>		
Net investment in capital assets	34,019,368	11,553,930
Restricted	2,364,278	1,329,430
Unrestricted	12,597,429	(85,940)
Net position	<u>48,981,075</u>	<u>12,797,420</u>
Total liabilities and net position	<u>\$ 57,777,220</u>	<u>\$ 25,434,944</u>

See notes to the financial statements.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
YEAR ENDED SEPTEMBER 30, 2014**

	Primary Government	Discretely Presented Component Units
<b>OPERATING REVENUES:</b>		
Dwelling rent	\$ 4,022,644	\$ 1,505,972
Housing assistance grants	16,672,003	-
HUD operating subsidies	3,364,870	-
Other government grants	1,910,328	61,470
Other income	779,809	19,770
Total operating revenues	<u>26,749,654</u>	<u>1,587,212</u>
<b>OPERATING EXPENSES:</b>		
Housing assistance payments	15,714,032	-
Administration	4,771,909	377,951
Tenant services	64,998	-
Utilities	839,126	225,331
Ordinary maintenance	4,072,806	308,038
Protection services	21,757	-
Insurance premiums	166,977	62,133
Other general	411,084	-
Non-routine maintenance	88,662	-
Depreciation	1,402,461	1,100,857
Total operating expenses	<u>27,553,812</u>	<u>2,074,310</u>
<b>OPERATING LOSS</b>	<u>(804,158)</u>	<u>(487,098)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Equity in income (loss) of limited partnerships	(501)	-
Other nonoperating expenses	-	(142,912)
Interest income	289,130	1,292
Interest expense	(228,605)	(469,226)
Total nonoperating revenues (expenses)	<u>60,024</u>	<u>(610,846)</u>
<b>LOSS BEFORE CAPITAL CONTRIBUTIONS</b>	<u>(744,134)</u>	<u>(1,097,944)</u>
<b>CAPITAL CONTRIBUTIONS:</b>		
HUD capital grants	908,733	-
Development grants	187,841	-
Limited partner contributions	-	1,727,491
Total capital contributions	<u>1,096,574</u>	<u>1,727,491</u>
Increase in net position	352,440	629,547
Net position - Beginning of the year - as restated	<u>48,628,635</u>	<u>12,167,873</u>
Net position - End of the year	<u>\$ 48,981,075</u>	<u>\$ 12,797,420</u>

See notes to the financial statements.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2014**

	<u>Primary Government</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from HUD grants	20,027,148
Receipts from state, local and other grants	1,877,938
Receipts from tenants and landlords	3,983,005
Receipts from others	779,809
Housing assistant payments	(15,714,032)
Payments to and on behalf of employees	(5,877,630)
Payments to vendors, contractors and others	<u>(4,707,666)</u>
Net cash provided by operating activities	<u>368,572</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Proceeds from bonds and notes payable	578,211
Interest paid on bonds and notes payable	(391,604)
Principal payments on bonds and notes payable	(541,168)
HUD capital and other nonoperating contributions	1,304,700
Acquisition and construction of capital assets	(1,498,276)
Additions to other assets	<u>(306,535)</u>
Net cash used in capital and related financing activities	<u>(854,672)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Proceeds from maturity of investments	799,256
Purchase of investments	(1,001,787)
Changes in restricted investments	108,019
Collection on notes receivable from component unit and related party	3,207
Change in payable to component units	(17,430)
Interest income received	<u>65,706</u>
Net cash used in investing activities	<u>(43,029)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(529,129)</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>5,243,263</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 4,714,134</u>
<b>CASH AND CASH EQUIVALENTS</b>	
Unrestricted cash	\$ 2,211,734
Restricted cash	<u>2,502,400</u>
	<u>\$ 4,714,134</u>

(Continued)

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### STATEMENT OF CASH FLOWS YEAR ENDED SEPTEMBER 30, 2014

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	<u>Primary Government</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating loss	\$ (804,158)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	1,402,461
(Increase) decrease in:	
Receivables	104,648
Prepaid expenses	(155,494)
Inventories	98,964
Increase (decrease) in:	
Accounts payable and other accrued liabilities	(308,200)
Prepaid rent	(1,373)
Refundable security deposits	5,469
Family self sufficiency escrow	<u>26,255</u>
Net cash provided by operating activities	<u>\$ 368,572</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS:</b>	
Retirement of fixed assets through reduction of accounts payable - capital assets	<u>\$ 107,500</u>
	(Concluded)

See notes to the financial statements.

# HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

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## 1. FINANCIAL REPORTING ENTITY

**Primary Government** - The Housing And Community Services Agency (“HACSA”) of Lane County, Oregon (the “Agency”) is the public housing authority of Lane County, Oregon. HACSA was created by resolution of the County Board of Commissioners, pursuant to Oregon Revised Statutes with a mission to provide affordable, decent, safe and sanitary housing to low and moderate income families and households.

HACSA is governed by the County Board of Commissioners and two appointed resident commissioners. Although the HACSA governing body is substantially the same as Lane County’s, there is no financial benefit or burden relationship between Lane County and HACSA, nor does Lane County management exercise operational responsibility over HACSA. Therefore, HACSA has been classified as a discrete component unit of the County.

**Component Units** - The governmental reporting entity consists of HACSA (the Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable, or other organizations whose nature and significant relationship with HACSA are such that exclusion would cause HACSA’s financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit’s board, and (i) either HACSA’s ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on HACSA.

The basic financial statements include both blended and discretely presented component units. The blended component units are legally separate entities, and should be, in substance, part of HACSA’s operations, and so data from these units are combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the government.

Complete financial statements of individual component units can be obtained from the Finance Department of HACSA. Although the limited partnerships do not follow government accounting for presentation purposes, certain transactions may be reflected differently in these financial statements than in the separately issued information in order to conform to the presentation of the primary government.

**Blended Component Units** - The following entities are reported as blended component units of HACSA at September 30, 2014:

	<u>Number of Units</u>	<u>Location</u>
• HousingPlus		
• HACSA Partner LLC		
• Walnut Park Limited Partnership (“Walnut Park”)	32	Eugene, Oregon
• The Orchards Limited Partnership (“Orchards”)	25	Eugene, Oregon
• Laurel Gardens Limited Partnership (“Laurel Gardens”)	<u>41</u>	Eugene, Oregon
	<u>98</u>	

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2014

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#### 1. FINANCIAL REPORTING ENTITY - Continued

HousingPlus is an Oregon nonprofit entity formed to provide support services to HACSA residents and possibly develop affordable housing in Lane County, Oregon. HACSA has advanced funds to HousingPlus for the predevelopment phase of 20 new affordable single family homes. In addition, management of HACSA manages the daily operation of HousingPlus.

HACSA Partner LLC is a sole member limited liability company in which HACSA is the sole member.

HACSA is the general partner and HACSA Partner LLC is the limited partner in each of the limited partnerships listed above which are hereafter referred to as "blended limited partnerships". Each of the blended limited partnerships and the underlying projects were developed pursuant to the low-income housing tax credits program of Section 42 of the Internal Revenue Code ("Section 42"). Section 42 regulates the use of each project as to occupant eligibility and unit gross rents among other requirements for an initial compliance period of fifteen years plus and extended use period for an additional fifteen year period. Construction of each of the projects was financed in part by the sale of tax credits to limited partner investors. At the end of the initial fifteen year compliance period, the initial investor limited partners assigned their limited partnership interests to HACSA Partner LLC and exited the partnership. The limited partnership interest of Walnut Park, Orchards and Laurel Gardens were assigned to HACSA in a prior year. Condensed financial information for the blended limited partnership is included in Note 14.

*Discretely Presented Component Units* - The discretely presented component units includes low-income housing tax credit limited partnerships/limited liability corporations (collectively referred to as "limited partnerships") whose limited partners have limited rights regarding the operations of the partnerships and HACSA, as general partner, controls the day-to-day operations of the partnerships. The following entities, which comprise the discretely presented component units, are presented as of December 31, 2013 and for the year then ended:

	<u>Date</u> <u>Formed</u>	<u>Number</u> <u>of Units</u>	<u>Location</u>
• Jacob's Lane Limited Partnership	07/24/98	63	Eugene, Oregon
• Hawthorn-at-29 <sup>th</sup> LLC	07/28/11	35	Eugene, Oregon
• New Winds Apartments Limited Partnership	12/21/05	18	Florence, Oregon
• Roosevelt Crossing Limited Partnership	06/06/08	45	Eugene, Oregon
• Sheldon Village I Limited Partnership	09/01/01	43	Eugene, Oregon
• Sheldon Village II Limited Partnership	07/01/02	35	Eugene, Oregon
• Munsel Park Limited Partnership	11/14/00	44	Florence, Oregon
• Turtle Creek Limited Partnership	02/13/07	<u>27</u>	Eugene, Oregon
		<u>310</u>	

HACSA has 0.005% to 0.01% ownership interest in each of the limited partnerships. HACSA's investments in limited partnerships are accounted using the equity method.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Government-wide and Fund Financial Statements*** - The government-wide financial statements (i.e., the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows) report information of the primary government (HACSA) and its component units. The effect of inter-fund activity has been removed from these statements. The primary government is reported separately from certain legally separate discrete component units for which the primary government is financially accountable.

For financial reporting purposes, HACSA reports all of its operations as a single business activity in a single enterprise fund. Therefore, the government-wide and fund financial statements are the same.

***Basic Financial Statements*** - The basic financial statements (i.e. the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows) report information on all of the business-type activities of HACSA and its component units. These basic financial statements are presented in accordance with the Governmental Accounting Standards Board (GASB) standards.

***Measurement Focus, Basis of Accounting and Financial Statement Presentation*** - The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which HACSA receives value without directly giving equal value in exchange, include revenues from federal, state and local assistance programs. Revenue from these sources is recognized in the fiscal year in which all eligibility requirements have been met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of HACSA's enterprise fund are U.S. Housing and Urban Development (HUD) housing assistance payments earned, Public Housing Operating Subsidies, HUD administrative fees and rental income from its public and affordable housing units. Operating expenses include employee services, services and supplies, administrative expenses, utilities, depreciation on capital assets and housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

For financial reporting purposes, HACSA considers its HUD grants associated with operations as operating revenues because these funds more closely represent revenues generated from operating activities rather than nonoperating activities. HUD grants associated with capital acquisition and improvements are considered capital contributions and are presented after nonoperating activity on the accompanying statement of revenues, expenses and changes in net position.

***Bond Premium and Discounts*** are amortized on a method which approximates the effective interest method over the related bond repayment period. Unamortized bond discount is deducted from bonds payable.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

**Summary of Significant Programs** - The accompanying basic financial statements include the activities of several housing programs subsidized by HUD and other governmental entities. A summary of each significant program is provided below:

- Public Housing – HACSA owns, operates and maintains 708 units of Public Housing which were acquired through HUD's Development Project Grant Program. Revenues consist primarily of rents and other fees collected from tenants, and an Operating Subsidy from HUD. Funds from the Capital Grant Program provided by HUD are used to improve the Public Housing portfolio. Substantially all additions to land, structures and equipment of Public Housing are accomplished through these grant funds.
- Rent Assistance – Section 8 of the U.S. Housing and Community Development Act of 1974 provides Housing assistance Payments on behalf of lower-income families to participating housing owners. Under this program, the landlord-tenant relationship is between a rental-housing owner and a family, rather than HACSA and the family as in the Public Housing program. For approved housing, HUD contracts with HACSA to enter into contracts with owners to make assistance payments for the difference between the approved contract rent and the actual rent paid by the lower-income families, which equals 30% of adjusted household gross income. Housing Assistance Payments made to landlords and some participants are funded through Annual Contributions Contracts. At September 30, 2014, HACSA administered approximately 2,977 vouchers including 160 Veterans Administration Supportive Housings vouchers that provide housing assistance for homeless veterans.
- Affordable Housing and Special Needs Housings – In addition to the 708 units of Public Housing, HACSA manages an additional 907 affordable housing units of which 419 are owned directly by HACSA in 10 different multifamily properties; 98 are owned by three limited partnerships in which HACSA has 100% ownership interest, and 310 units are owned by eight limited partnerships/limited liability corporations in which HACSA is either the general partner or managing member. Of the 907 affordable housing units, there are 106 units in four different multifamily properties that have been developed to serve special needs of residents as follows:
  - Roosevelt Crossing - Transitional housing targeted to ex-offenders who have just been released from incarceration.
  - Heeran Center - Residential mental health treatment facility. On March 2, 2015, the state of Oregon suspended the license of the facility operator to provide 24 hour secure residential treatment services under OAR 309-033-0520(3) at Heeran Center. The residents have been removed from the facility and the Oregon Department of Addictions and Mental Health is searching for a new operator for the facility.
  - Signpost House and Family Shelter House - residential housing for individuals and families with psychiatric disabilities.
- Weatherization – This program provides weatherization services to low-income home owners including replacement windows, insulation, heating, cooling, etc. Funding is received through grants and sub-grants from Lane County and directly from private utility companies.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2014

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- Development – HACSA pursues development projects that augment the supply of low-cost housing, provide essential services to residents and revitalizes overall communities. These projects include renovation of older/existing housing and new construction. The following projects are in a predevelopment phase at September 30, 2014:
  - *The Oaks-at-14<sup>th</sup>* - On January 21, 2014, HACSA acquired a project site in Eugene, Oregon for \$407,000 to develop 55 affordable multi-family units for ex-offenders transitioning to the community.
  - *6<sup>th</sup> & Oak* is a 55-100 residential unit affordable housing development located in Eugene, Oregon. On December 13, 2013, HACSA entered into an option agreement with Lane County to acquire an option to enter into a ground lease for the purposes of developing, constructing and operating a multifamily housing development and related facilities. The option term expires in 48 months from the effective date and requires monthly option payments of \$1,300 beginning June 13, 2014. If the ground lease is executed, the sum of all option payments shall be deducted from the amount of payment due under the ground lease term.
  - *Bascom Village Phase II* - HACSA has received tax credit allocation and GHAP funding from Oregon Housing Community Services in December 2014 for the development of Bascom Village Phase II, a 49-unit affordable multi-family development located in Eugene, Oregon. Construction will begin in July 2015 and is scheduled to be completed in October 2016.
  - *Glenwood Place* is a 100-150 residential unit affordable housing development in Glenwood, Oregon. HACSA is negotiating an option agreement to purchase the project site and will pursue funding for this project in 2016 or 2017.

***Cash and Cash Equivalents*** - For purposes of the Statement of Cash Flows, HACSA considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. At September 30, 2014, the HACSA's cash and cash equivalents are deposited with various banks and financial institutions, some in excess of the federally insured amount of \$250,000. As required by Oregon Revised Statutes, deposits in excess of federal depository insurance were held at qualified depositories for public funds and therefore considered to be fully collateralized.

***Inventories*** - Inventories are stated at cost, on a first-in, first-out basis.

***Accounts Receivable*** - Accounts receivable are shown at net realizable value. The balances at September 30, 2014 are considered fully collectable.

***Compensated Absences*** - Employees of HACSA are entitled to paid leave of absence from work, depending on job classification, length of service and other factors. All absences from work, including vacation, sick leave, family emergency or bereavement are charged against accrued earned leave. In accordance with the provisions of GASB Statement No, 16, "Accounting for Compensated Absences," the estimated liability for vested leave benefits is recorded when it is earned as an expense and the cumulative unpaid amount is reported as a liability.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

**Capital Assets** - Capital assets are assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Purchased or constructed capital assets are recorded at cost or estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and Improvements	7 to 40 Years
Furniture and Equipment	3 to 7 Years
Vehicles	5 Years

HACSA reviews its capital assets for impairment whenever events or changes in circumstances indicate that there has been a decline in service utility that is large in magnitude and outside of the normal life cycle of the capital asset being evaluated. As of September 30, 2014, there has been no impairment of the capital assets.

**Eliminations** - In the normal course of operations, certain programs may pay for common costs or advance funds for operational shortfalls that create inter-program receivables or payables. The inter-program receivables and payables net to zero and are eliminated for presentation of HACSA as a whole.

**Internal Charges** - HACSA internally charges its costs of support service, indirect costs allocations and rent provided by one department to other departments on a cost-reimbursement basis.

**Net Position** - Net position includes the various net earnings from operating income, non-operating revenues and expenses, and special items. Net position is classified in the following three components:

- **Net investment in Capital Assets** - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt.
- **Restricted** - This represents resources for which HACSA is legally or contractually obligated to spend resources in accordance with restrictions imposed by third parties.
- **Unrestricted** - This represents resources used for HACSA's general operations, which are not restricted by third parties. When an expense is incurred that can be paid using either restricted or unrestricted resources, HACSA's policy is to first apply the expense toward restricted resources.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

**Budgets** - A budget is prepared by the administrative and fiscal staff for each of the separate programs within each division and for the total operation of HACSA after coordination, consultation, and receipt of approvals of service levels from the various grantor's agencies. A consolidated budget is submitted to the Board of Commissioners for approval, modification and adoption. HACSA is not required to and does not adapt a legally appropriated budget as defined by GASB and therefore budgetary comparisons are not reported in these financial statements.

**Income Taxes** - HACSA is exempt from Federal income taxes under Internal Revenue Code Section 115. The limited partnerships which are shown as discretely presented are taxable entities, however, each of the entities have elected to be treated as a pass-through entity for income tax purposes and, as such, are not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its partners on their respective income tax returns. Each partnership's federal tax status is based on their legal status as a partnership. Consequently, the partnerships are not required to take any tax positions in order to qualify as a pass-through entity. Accordingly, the discretely presented financial statements do not reflect a provision for income taxes and the partnerships have no other tax positions which must be considered for disclosure. The partnerships are required to file and do file tax returns with the Internal Revenue Service and other taxing authorities. Income tax returns filed by each of the entities are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2011 remain open and subject to examination.

**Other Post-Employment Benefits Obligation** - HACSA administers a single-employer defined benefit healthcare plan per the requirements of a collective bargaining agreement. Per Oregon State law, the plan provides the opportunity for post-retirement healthcare insurance for eligible retirees and their spouses through HACSA's group health insurance plans which cover both active and retired participants. HACSA does not pay any portion of the retiree's healthcare insurance; however, the retired employee receives an implicit benefit of a lower healthcare premium which is spread among the cost of active employee premiums. HACSA pays none of the premium of health insurance coverage for eligible retirees who are not yet eligible for Medicare. HACSA's regular health care benefit providers underwrite the retirees' policies and retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans.

During 2014, HACSA engaged an independent actuary to determine its Other Postemployment Benefits Obligation ("OPEB") and by letter dated May 15, 2014 the independent actuary concluded that as of February 1, 2014 HACSA has no OPEB liability under GASB 45. Based on the February 1, 2014 valuation, HACSA has concluded that there was no OPEB as of September 30, 2014.

GASB provides for an exemption from measuring an implicit subsidy for employers participating in community-rated health care coverages provided that the employer's active and retired members comprise a sufficiently small portion of the entire community-rated premium pool. Because the Citycounty Insurance Services rating criteria start at 100 subscribers, the independent actuary concluded that the 100 subscriber threshold as a reasonable cutoff for the implicit subsidy exemption.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2014

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#### 3. CASH AND CASH EQUIVALENTS

Total cash and cash equivalents at September 30, 2014 was \$4,714,134, of which \$2,211,734 was unrestricted and \$2,502,400 was restricted. Restricted cash and cash equivalents at September 30, 2014 include the following:

Family self-sufficiency program reserves	\$ 356,353
Replacement reserves	1,461,405
Residual receipts reserves	10,345
Mortgage escrow deposits	49,236
Tenant security deposits	354,382
Bond reserves	204,443
Operating reserves	<u>66,236</u>
Total restricted cash and cash equivalent	<u>\$2,502,400</u>

*Family self-sufficiency reserves* consist of amounts deposited under the Family Self-Sufficiency ("FSS") program. Under the FSS program, if the income of a tenant enrolled in the program increases, instead of decreasing the subsidy amount, the original subsidy continues to be paid and the difference between the original and new subsidy amount is deposited into an escrow account. If the tenant enrolled in the program attains certain target goals related to self-sufficiency, the tenant is awarded money from the escrow account to use for various purposes stated in the tenant's self-sufficiency plan such as college tuition or a down payment for the purchase of a home.

*Replacement reserves* consist of funds held in trust for properties owned and operated by HACSA and to be used for the replacement or repair of capital assets.

*Residual receipts reserves* are excess funds remaining after payment of authorized disbursements of HUD regulated properties owned and operated by HACSA. The funds can be used for property purposes in the event that operating receipts are not sufficient to pay for operating expenses.

*Mortgage escrow deposits* are required by certain loan and regulatory agreements of properties owned and operated by HACSA. The funds are used to pay annual property taxes and insurance when due.

*Tenant security deposits* represent the refundable deposits received from tenants and held in trust to secure the performance of a rental agreement. Tenant security deposits in excess of any outstanding damage or rent charges must be returned to the departing tenants within 30 days after the termination of the tenancy. The funds are typically held in segregated bank accounts since these funds may not be used for operations. The funds are, however, allowed to earn interest that may be retained for operations.

*Bond reserves* include externally restricted funds on deposit with various trustees relating to the servicing of debt.

*Operating reserves* were established for certain entities to pay operating costs and expense to the extent collected gross receipts are insufficient for such purpose.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

NOTES TO FINANCIAL STATEMENTS  
 YEAR ENDED SEPTEMBER 30, 2014

**4. INVESTMENTS**

HACSA’s investment policy conforms to HUD Noticed 96-33 (extended indefinitely by HUD Notice PIH 2002-13) that allows HUD funds to be invested in U.S. treasury bills, notes and bonds, obligations issued by agencies and instrumentalities of the U.S. government, state or municipal depository funds, and any other investment security authorized under the provisions of HUD Notice 96-33, as extended by HUD Notice PIH 2002-13. In addition, HACSA’s investment policy follows Oregon state law, specifically ORS Chapter 294, that authorizes all local funds to be invested in U.S. treasury obligations, U.S. agency obligations, Oregon Short Term Fund, commercial paper, corporate bonds, repurchase agreements, municipal debt, bankers acceptances, and qualified time deposits/savings accounts/certificates of deposit. Investments at September 30, 2014 consist the following:

Oregon Treasurer’s Local Government Investment Pool (LGIP)	\$1,868,755
Federal Home Loan Bank Discount Note, coupon rate 0.0%, maturity date 12/03/2014, rated P-1 by Moody’s and A-1+ by S&P	<u>804,000</u>
Total investments – short-term	<u>\$2,672,755</u>

The investment in the LGIP is stated at the fair value amount provided by LGIP, which is the same as the value of its pool shares. The Oregon State Treasurer administers the LGIP. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State’s short-term funds. In seeking to best serve local government in Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board, which is not registered with U.S. Securities and Exchange Commission as an investment company. The purpose of the Board is to advise the Oregon State Treasurer in the management and investment of the LGIP. The LGIP is not currently rated by an independent rating agency.

The Federal Home Loan Bank Discount Note is valued at the closing price reported on the active market on which the individual security is traded.

**Investment Risk Disclosures**

*Interest Rate Risk* is the risk that changes in market interest rates will adversely affect the fair value of an investment. In general, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. HACSA limits investment maturities to three years as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk* is the risk that an issuer or other counter party to an investment will not fulfill its obligations. HACSA minimize credit risk by: limiting exposure to poor credits and concentrating the investments in the safest types of securities; prequalifying the financial institutions, broker/dealers/ intermediaries, and advisors with which HACSA will do business; diversifying the investment portfolio so that potential losses on individual securities will be minimized; and actively monitoring the investment portfolio holdings for ratings changes, changing economic/market conditions, etc.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2014

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#### 4. INVESTMENTS – Continued

*Concentration of credit risks* is risk of loss attributed to the magnitude of HACSA's investment in a single issuer (not including investments issued or guaranteed by the US government, investments in mutual funds, or external investments pools). At September 30, 2014, 43% of total investments were invested in Federal Home Loan Bank Discount Note.

*Custodial Credit Risk* is the risk that, in the event of failure of the counterparty, HACSA will not be able to recover the value of its investments that are in the possession of an outside party. As of September 30, 2014, none of the HACSA's investments are exposed to custodial credit risk.

#### 5. ACCOUNTS RECEIVABLES

Receivables are reported in the following major categories:

**HUD** – This represents annual settlement with HUD for amounts expended by HACSA in excess of funds received from HUD.

**Grants** – Amounts due from other government agencies and utility companies for amounts expended in the Weatherization and various other grant programs.

**Tenants** – These amounts represent charges to tenants for damages, rent and other miscellaneous items.

**Other Receivables** at September 30, 2014 include the following:

Other government grants	\$ 383,154
Receivables from component unit	732,611
Other receivables	<u>57,056</u>
	<u>\$1,172,821</u>

All of the other government grants are expected to be collected within one year.

**Fraud Recovery** – HACSA has recorded accounts receivable of \$222,242 at September 30, 2014 from tenants for retroactive rent billings due to the failure of tenants to properly report income or other demographic information. An allowance for doubtful accounts equal to the receivable balance has been established at September 30, 2014.

#### 6. INVESTMENT IN LIMITED PARTNERSHIPS

Investments in affiliated limited partnerships as of September 30, 2014 include the following:

Jacob's Lane Limited Partnership ("Jacob's Lane")	\$ 445,290
Hawthorn-at-29th LLC ("Hawthorn-at-29 <sup>th</sup> ")	90
New Winds Apartments Limited Partnership ("New Winds")	33
Roosevelt Crossing Limited Partnership ("Roosevelt Crossing")	803,097
Sheldon Village I Limited Partnership ("Sheldon Village I")	65,151
Sheldon Village II Limited Partnership ("Sheldon Village II")	16,553
Munsel Park Limited Partnership ("Munsel Park")	(10,485)
Turtle Creek Limited Partnership ("Turtle Creek")	<u>1</u>
Total	<u>\$1,319,730</u>

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014**

**7. RELATED PARTIES**

Notes and interest receivable as of September 30, 2014 and interest income for the year then ended from related partnerships and others are as follows:

	<u>Maturity</u>	<u>Interest Rate</u>	<u>Outstanding Note Balance</u>	<u>Interest Receivable</u>	<u>Interest Income</u>
Jacob's Lane	01/01/29	1% - 6%	\$ 506,440	\$ 19,040	\$ 25,386
Hawthorn-at-29th	03/31/62	6%	975,682	70,944	59,848
New Winds	08/01/47	3.25% - 5.15%	876,611	236,809	36,997
Sheldon Village I	01/01/33	3% - 5.57%	384,195	329,957	49,913
Sheldon Village II	01/01/35	3% - 5.7%	390,805	156,928	26,614
Munsel Park	12/31/39	1.50%	770,726	44,272	12,069
Turtle Creek	11/01/47	5.01%	867,000	399,614	60,658
Laurel Gardens	Paid off	n/a	-	-	-
Total limited partnerships			4,771,459	1,257,564	\$ 271,485
Sponsors, Inc.			11,961	-	
			<u>\$ 4,783,420</u>	<u>\$ 1,257,564</u>	
Interest receivable - short-term				\$ 19,040	
Interest receivable - long-term				1,238,524	
				<u>\$ 1,257,564</u>	

Other receivable (payable) balances due from (to) the affiliated limited partnerships as of September 30, 2014 are as follows:

	<u>Operating Advance</u>	<u>Development Advance</u>	<u>Developer Fee Receivable</u>	<u>Partnership Management Fee Receivable</u>	<u>Ground Lease</u>	<u>Total Receivable</u>
Jacob's Lane	\$ 2,360	\$ -	\$ -	\$ 4,052	\$ -	\$ 6,412
Hawthorn-at-29th	-	315,180	-	-	-	315,180
New Winds	907	-	102,199	30,375	-	133,481
Roosevelt Crossing	-	-	-	22,432	-	22,432
Sheldon Village I	-	-	-	3,602	2,046	5,648
Sheldon Village II	-	-	-	9,237	1,845	11,082
Munsel Park	-	60,298	-	172,078	-	232,376
Turtle Creek	-	-	-	6,000	-	6,000
	<u>\$ 3,267</u>	<u>\$ 375,478</u>	<u>\$ 102,199</u>	<u>\$ 247,776</u>	<u>\$ 3,891</u>	<u>\$ 732,611</u>

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

7. **RELATED PARTIES** - Continued

Amounts payable by HACSA to the affiliated limited partnerships at September 30, 2014 are as follows:

Hawthorn-at-29 <sup>th</sup>	\$332,206
Roosevelt Crossing	<u>10,070</u>
	<u>\$342,276</u>

Fees earned from the affiliated limited partnerships for the year ended September 30, 2014 are as follows:

	Partnership Management Fee	Ground Lease	Total
Jacob's Lane	\$ 5,351	\$ -	\$ 5,351
New Winds	4,500	-	4,500
Roosevelt Crossing	30,166	-	30,166
Sheldon Village I	4,757	144	4,901
Sheldon Village II	12,197	140	12,337
Munsel Park	20,012	-	20,012
Turtle Creek	8,000	-	8,000
	<u>\$ 84,983</u>	<u>\$ 284</u>	<u>\$ 85,267</u>

**Land Lease** - HACSA entered into an operating lease for the land on which the projects of Sheldon Village I and II are situated. The lease agreements provide for annual payments of \$100 per year commencing on September 1, 2001 and August 1, 2002, respectively, and increasing by 3% per annum each year thereafter. Any unpaid rent shall accrue interest at the rate of 5.50% per annum compounded annually and all rent then due, together with all accrued interest, shall be paid no later than March 15, 2017 and March 15, 2019, respectively. The lease terms run through September 12, 2100 and August 1, 2101, respectively, however the limited partnerships shall only continue through December 31, 2055 and December 31, 2063, respectively.

**Guarantees** - HACSA, as general partner, has guaranteed certain obligations of the affordable housing entities that comprise the discretely presented component units. These obligations include operating deficit guarantees and delivery of low income housing tax credit guarantees. At September 30, 2014, HACSA guarantees operating deficit of Hawthorn-at-29<sup>th</sup> LLC of up to \$253,153.

**Lease Heeran Center** - HACSA leases the premise for the Heeran Center to Lane County under the terms of an operating lease that is renewable annually and provides for annual rent of \$89,256 for the period July 1, 2013 to June 30, 2014. On June 16, 2014, the lease was renewed for a one year period at an annual rental rate of \$74,256. On February 1, 2015, the annual rental rate was reduced to \$59,472.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014**

**8. FIXED ASSETS**

Land, buildings and equipment are accounted for in the individual programs in which the assets were purchased. The following is a summary of fixed asset activity for the year ended September 30, 2014:

	Balance September 30, 2013	Increases	Decreases	Transfers	Balance September 30, 2014
Capital assets not being depreciated:					
Land	\$ 8,740,324	\$ 436,450	\$ -	\$ -	\$ 9,176,774
Construction in progress	615,233	909,067	-	-	1,524,300
Total capital assets not being depreciated	<u>9,355,557</u>	<u>1,345,517</u>	<u>-</u>	<u>-</u>	<u>10,701,074</u>
Capital assets being depreciated:					
Building and improvements	61,482,478	72,835	(107,500)	-	61,447,813
Furniture and equipment	<u>2,956,233</u>	<u>-</u>	<u>(10,664)</u>	<u>-</u>	<u>2,945,569</u>
Total capital assets being depreciated	<u>64,438,711</u>	<u>72,835</u>	<u>(118,164)</u>	<u>-</u>	<u>64,393,382</u>
Less accumulated depreciation:					
Buildings and improvements	(30,140,730)	(1,293,999)	-	-	(31,434,729)
Furniture and equipment	<u>(2,634,444)</u>	<u>(108,462)</u>	<u>10,419</u>	<u>-</u>	<u>(2,732,487)</u>
Total accumulated depreciation	<u>(32,775,174)</u>	<u>(1,402,461)</u>	<u>10,419</u>	<u>-</u>	<u>(34,167,216)</u>
Total capital assets being depreciated, net	<u>31,663,537</u>	<u>(1,329,626)</u>	<u>(107,745)</u>	<u>-</u>	<u>30,226,166</u>
Total capital assets, net	<u>\$ 41,019,094</u>	<u>\$ 15,891</u>	<u>\$(107,745)</u>	<u>\$ -</u>	<u>\$ 40,927,240</u>

Depreciation expense was charged to functions as follows:

Agency	\$ -
Public Housing	663,049
Housing Choice Voucher	119
Affordable housing and special needs housing	499,387
Blended component units	219,886
COCC	<u>20,020</u>
Total	<u>\$ 1,402,461</u>

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

9. LONG-TERM LIABILITIES

HACSA's long-term debt is comprised of bonds and notes payable which were incurred to purchase or rehabilitate low income housing and are payable from net cash flow from operations.

	Interest Rates	Monthly Payment	Maturity	Balance 09/30/13	Additions	Retirements	Balance 09/30/14	Current Portion
<b>BONDS PAYABLE:</b>								
Firwood Apartments Series A	6.6 - 6.7%	\$ 5,990	11/01/20	\$ 480,000	\$ -	\$ 45,000	\$ 435,000	\$ 50,000
Firwood Apartments Series B	6.700%	2,466	11/01/20	90,000	-	25,000	65,000	25,000
Unamortized bond discount	-	-	-	(5,814)	-	(1,992)	(3,822)	(1,992)
Total bonds payable				564,186	-	68,008	496,178	73,008
<b>NOTES PAYABLE:</b>								
State of Oregon:								
Abbie Lane Apartments	0.250%	288	05/15/25	39,741	-	39,741	-	-
Heeran Center	3.690%	6,199	04/15/27	793,714	-	45,866	747,848	47,587
Heeran Center - forgivable loan	-	-	11/17/40	926,634	-	33,094	893,540	33,094
City of Eugene:								
Abbie Lane Apartments	2.000%	1,845	04/01/34	362,723	-	15,003	347,720	15,326
Firwood Apartments	3.250%	1,004	08/01/21	88,554	-	-	88,554	-
Firwood Apartments	2.000%	1,262	01/01/29	205,857	-	-	205,857	-
Fourteen Pines Apartments	3.500%	3,368	07/01/15	70,185	-	38,565	31,620	31,620
Signpost House	5.000%	926	02/01/32	49,969	-	8,807	41,162	9,265
Orchards	-	-	N/A	111,001	-	-	111,001	-
USDA Rural Development:								
Camas Apartments - 1	6.875%	992	09/01/35	296,988	-	5,474	291,514	6,414
Camas Apartments 2	6.875%	592	11/01/32	158,291	-	3,773	154,518	4,421
Norsemen Village Apartments - 2	5.375%	5,254	05/11/36	1,078,938	178,211	196,877	1,060,272	40,989
Norsemen Village Apartments - 3	5.375%	621	05/11/36	169,202	-	3,955	165,247	4,172
Norsemen Village Apartments - 4	5.750%	1,022	05/11/36	335,694	-	7,472	328,222	7,875
Norsemen Village Apartments - 5	5.375%	976	05/11/36	265,960	-	6,216	259,744	6,529
Greenhoot Charitable Remainder Unitrust-								
Firwood Apartments	5.000%	2,087	03/04/25	218,693	-	14,437	204,256	15,175
Unppqua Bank:								
Family Shelter	7.750%	990	06/01/17	37,572	-	10,367	27,205	10,014
Walnut Park	6.150%	3,716	03/01/26	388,204	-	21,315	366,889	19,151
JPMorgan Chase:								
Laurel Gardens	4.930%	2,496	02/01/28	308,226	-	15,098	293,128	15,860
Orchards	6.040%	2,510	10/01/26	400,497	-	6,100	394,397	6,479
Sinuslaw Bank - The Oaks-at-14th	4.000%	1,507	03/01/18	-	400,000	1,000	399,000	2,000
Total notes payable				6,306,643	578,211	473,160	6,411,694	275,971
Total long-term debt				\$ 6,870,829	\$ 578,211	\$ 541,168	\$ 6,907,872	\$ 348,979
Long-term portion							\$ 6,558,893	

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

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### 9. LONG-TERM LIABILITIES – Continued

The bonds and notes payable are collateralized by fixed assets owned by the entities listed for each individual obligation except for the note payable to the Greenhoot Charitable Remainder Unitrust which is unsecured. The monthly payment includes principal and interest. The monthly payments on the bonds are adjusted semi-annually based on bond maturities; the monthly payments listed for the notes payable to USDA Rural Development (“RD”) are net of interest credits to be received from RD.

**Bonds Payable** – In 1994 HACSA issued revenue bonds to pay for the purchase of the Firwood Apartments buildings. Of the Series A Bonds outstanding at September 30, 2014, \$105,000 provides for interest at 6.600% per annum and \$330,000 provide for interest at 6.700% per annum.

**State of Oregon** – The notes payable by Abbie Lane Apartments and the Heeran Center are payable to the Housing and Community Services Department – State of Oregon. In March 2014, the note payable by Abbie Lane Apartments was forgiven. In May 2015, monthly payments on the note payable by the Heeran Center have been deferred to September 2015.

The forgivable note payable by the Heeran Center was originated by the Department of Human Resources - State of Oregon. The note is non-interest bearing that is forgivable on a pro-rata basis over a thirty year period provided that HACSA operates Heeran Center in conformance with the terms of the trust deed and related promissory note agreements.

**City of Eugene** – The notes payable collateralized by Firwood Apartments were modified during 2013 to make interest only payments beginning on April 1, 2013 and ending on March 1, 2016. The maturity dates were not extended which will result in balloon payments at maturity.

The note payable collateralized by Orchards is non-interest bearing and has no required payments or maturity date provided that HACSA does not sell the property and complies with the terms of the note and related agreements.

**USDA Rural Development** – The mortgage notes payable to RD have stated interest rates however each property has entered Interest Credit and Rental Assistance Agreements with RD that will reduce the effective interest rate over the term of the notes to one percent per annum. In addition, when the properties charge rent in excess of the basic rent approved by RD, such excess rent (“overages”) is remitted to RD as additional interest.

Loan 2 for the Norsemen Village Apartments is a construction loan that was converted to a permanent loan in January 2014. At the time of conversion, accrued interest of \$178,211 was added to the principal balance.

**Other** – Walnut Park, Laurel Gardens and Orchards have outstanding loans for which the interest rate has been reduced during the 20 year period that Oregon Affordable Housing Tax Credits (“OAHTC”) are available with respect to the loan. The expiration of the OAHTC with respect to these loans are as follows; Walnut Park, April 1, 2016 interest rate will increase from 6.15% to 10.15%; Laurel Gardens, December 31, 2017 interest rate will increase from 4.93% to 8.93% and Orchards, November 1, 2016 interest rate will increase from 6.04% to 8.62%.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

9. **LONG-TERM LIABILITIES** – Continued

Future maturities of total long-term debt at September 30, 2014 are as follows:

<u>Fiscal year</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 348,979	\$ 222,716
2016	343,545	211,571
2017	357,238	204,557
2018	736,597	186,379
2019	351,306	164,502
2020-2024	1,803,774	537,069
2025-2029	1,736,500	(15,534)
2030-2034	769,965	(128,615)
2035-2039	282,778	(42,945)
2040-2044	66,189	-
Undetermined	111,001	-
Total	<u>\$6,907,872</u>	<u>\$1,139,700</u>

The Interest Credit and Rental Assistance Agreements (“Interest Agreements”) with RD that have been entered into in conjunction with each of the notes payable to RD provide for a fixed interest credit each month during the term of each note. The effect of the Interest Agreements is to reduce the effective interest rate to 1% during the term of the mortgage. Although the Interest Agreements will reduce the effective interest rate to one percent over the term of the mortgages, the effective interest rate will approximate 2.30% during the initial years of the mortgages. Interest expense, as a percentage of the outstanding mortgage balances will decline over the term of the mortgages as gross interest paid, based on the stated interest rate, declines and the Interest Credit amount remains constant. This results in negative interest as the notes near maturity.

Changes in long-term liabilities:

	<u>Balance</u>		<u>Balance</u>	<u>Due Within</u>
	<u>09/30/13</u>	<u>Additions</u>	<u>09/30/14</u>	<u>One Year</u>
Compensated absences	\$ 389,179	\$ 509,070	\$ 514,181	\$ 384,068
Bonds payable	564,186	-	68,008	496,178
Loans payable	6,306,643	578,211	473,160	6,411,694
	<u>\$7,260,008</u>	<u>\$ 1,087,281</u>	<u>\$1,055,349</u>	<u>\$7,291,940</u>
				<u>\$ 617,827</u>

10. **RISK MANAGEMENT**

HACSA is exposed to various risks of loss related to errors and omissions, automobiles, damage to and destruction of assets, bodily injury, and workers’ compensation. HACSA has obtained insurance from the Housing Authorities Risk Retention Pool to cover substantially all known risks except for workers’ compensation and flood coverage. Workers compensation and flood coverage are covered by commercial insurance. There has been no significant reduction to coverage from the prior year, and settled claims have not exceeded the level of coverage in the past three years.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2014

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#### 11. COMMITMENT AND CONTINGENCY

**Lease Commitment** - In 2005, HACSA entered into a ground lease and concurrently purchased the improvements situated on the site which was a 90-unit multi-family apartment complex known as Firwood Apartments. The initial term of the ground lease is from March 23, 1995 through January 31, 2014 with options to extend for three additional five year periods. In addition to the scheduled rents HACSA is required to pay all taxes, insurance, maintenance and utility costs.

The lease agreement provides for increase in scheduled rents every five years which were \$39,638 per year for the period February 1, 2009 to January 31, 2014; \$47,565 per year for the first option period from February 1, 2014 to January 31, 2019; \$57,078 per year for the second option period from February 1, 2019 to January 31, 2024; and \$68,494 per year for the third option period from February 1, 2024 to January 31, 2029.

On January 27, 2014, HACSA exercised its option to extend the term of the lease for the period from February 1, 2014 to January 31, 2019.

The lease agreement provides that at the termination of the lease, HACSA shall surrender and deliver up the premises and all improvements situated on the site to the Lessor. The lease agreement also grants HACSA the right of first refusal to purchase the site and improvements.

**Grant and Property Use Restrictions** - Certain of the properties operated by HACSA and affiliated limited partnerships were developed using funds provided by grants and low interest rate loans. The terms of these grants and loans restrict the use of the property and generally require the property to be rented to low-income qualified tenants for the period of the grant or related loan term. Failure to comply with the terms of the grants or the loans may result in a requirement to repay a portion or all of the proceeds received.

**Lawsuit and Claims** - HACSA is subject to lawsuits and claims which arise out the normal course of its activities. In the opinion of the management of HACSA and based upon the opinions of legal counsel, the disposition of any and all such actions, of which it is aware, will not have a material effect on the financial position of HACSA.

#### 12. CONCENTRATIONS

For the year ended September 30, 2014, approximately 75% of operating revenues reflected in the financial statements are from HUD. HACSA operates in a highly regulated environment. The operations of HACSA are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related costs and the additional administrative burden to comply with the changes.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2014

#### 13. PENSION PLAN

HACSA has a defined contribution plan established under Section 401(k) of the Internal Revenue Code, covering all eligible employees working 20 hours or more a week and who elect to be in the Plan after six months of service. HACSA makes a contribution of twelve percent of employee's gross monthly salary, of which six percent employer contributions are vested over 4 years and six percent pick-up contributions are 100% vested when made. Employees have the option of making voluntary salary deferral contributions up to twenty-five percent of their monthly gross salary, subject to the dollar limits specified in the Internal Revenue Code. The employer contributions for the year ended September 30, 2014 were \$419,247.

#### 14. CONDENSED FINANCIAL STATEMENTS OF BLENDED COMPONENT UNITS

##### CONDENSED STATEMENT OF NET POSITION

	Walnut Park	Orchards	Laurel Gardens	HousingPlus	Total
<b>Assets:</b>					
Current assets	\$ 30,529	\$ 31,664	\$ 80,791	\$ -	\$ 142,984
Tenant security deposits	23,208	19,209	17,936	-	60,353
Other restricted deposits	84,089	120,932	193,734	-	398,755
Other assets	-	-	-	105,367	105,367
Capital assets - net	842,300	833,515	769,548	-	2,445,363
Total assets	<u>980,126</u>	<u>1,005,320</u>	<u>1,062,009</u>	<u>105,367</u>	<u>3,152,822</u>
<b>Liabilities:</b>					
Current liabilities	109,225	145,036	38,248	105,367	397,876
Noncurrent liabilities	347,739	498,919	277,267	-	1,123,925
Total liabilities	<u>456,964</u>	<u>643,955</u>	<u>315,515</u>	<u>105,367</u>	<u>1,521,801</u>
<b>Net Position:</b>					
Net investment in capital assets	475,410	328,117	476,421	-	1,279,948
Restricted	84,089	120,932	193,734	-	398,755
Unrestricted	(36,337)	(87,684)	76,339	-	(47,682)
Total net position	<u>\$ 523,162</u>	<u>\$ 361,365</u>	<u>\$ 746,494</u>	<u>\$ -</u>	<u>\$ 1,631,021</u>

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### NOTES TO FINANCIAL STATEMENTS YEAR ENDED SEPTEMBER 30, 2014

#### 14. CONDENSED FINANCIAL STATEMENTS OF BLENDED COMPONENT UNITS - Cont'd

##### CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Walnut Park	Orchards	Laurel Gardens	HousingPlus	Total
Revenues - Rental income	\$ 193,945	\$ 179,748	\$ 164,374	\$ -	\$ 538,067
Total operating revenue	193,945	179,748	164,374	-	538,067
Expenses:					
Operating expenses	146,203	151,623	123,693	-	421,519
Depreciation and amortization	83,401	72,442	65,314	-	221,157
Total operating expenses	229,604	224,065	189,007	-	642,676
Operating loss	(35,659)	(44,317)	(24,633)	-	(104,609)
Nonoperating revenue (expense):					
Interest income	52	155	259	-	466
Interest expense	(23,172)	(23,992)	(14,795)	-	(61,959)
Total nonoperating revenue (expense)	(23,120)	(23,837)	(14,536)	-	(61,493)
Change in net position	(58,779)	(68,154)	(39,169)	-	(166,102)
Net position September 30, 2013	581,941	429,519	785,663	-	1,797,123
Net position September 30, 2014	\$ 523,162	\$ 361,365	\$ 746,494	\$ -	\$ 1,631,021

##### CONDENSED STATEMENT OF CASH FLOWS

	Walnut Park	Orchards	Laurel Gardens	HousingPlus	Total
Net cash provided by:					
Operating activities	\$ 44,905	\$ 3,390	\$ 19,821	\$ -	\$ 68,116
Capital and related financing activities	(21,315)	(6,100)	(15,099)	-	(42,514)
Investing activities	(7,656)	(4,618)	(7,761)	-	(20,036)
Net increase (decrease)	15,933	(7,329)	(3,039)	-	5,565
Cash - beginning of year	11,563	36,568	76,989	-	125,120
Cash - end of year	\$ 27,496	\$ 29,239	\$ 73,950	\$ -	\$ 130,685

HousingPlus' other assets consist of the predevelopment costs of the current development project to build 20 affordable homes in Eugene, Oregon. It is reasonably possible that management of HousingPlus will cease to pursue the current development project due to the housing market condition in the geographical area. If the project is abandoned, the predevelopment costs of \$105,367 will be written off as housing development costs.

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

15. DISCRETELY PRESENTED COMPONENT UNITS

Combining financial information for the discretely presented component units at December 31, 2013 is as follows:

ASSETS	Jacob's Lane	Hawthorn-at-29th	New Winds	Roosevelt Crossing	Sheldon Village I	Sheldon Village II	Munsel Park	Turtle Creek	Total
<b>Current assets</b>									
Cash and cash equivalents	\$ 180,695	\$ 197,324	\$ 22,136	\$ 14,197	\$ 21,669	\$ 16,231	\$ 132,337	\$ 17,039	\$ 601,628
Accounts receivable:									
Tenants	-	690	581	-	238	140	429	-	2,078
Others	361	22,861	2,160	40,674	-	-	-	-	66,056
Prepaid expenses	3,569	2,379	2,173	1,481	4,163	3,159	3,946	1,790	22,660
Tenant deposits held in trust	27,427	5,977	7,139	-	17,145	17,035	16,429	22,058	113,210
Restricted deposits	228,054	8,380	117,869	351,243	199,364	146,758	158,634	119,128	1,329,430
Total current assets	440,106	237,611	152,058	407,595	242,579	183,323	311,775	160,015	2,135,062
<b>Noncurrent assets</b>									
Capital assets									
Nondepreciable	449,963	418,014	116,026	641,454	-	-	120,000	201,414	1,946,871
Depreciable	2,175,051	3,827,066	1,884,098	4,667,039	2,407,882	1,962,036	1,068,584	2,790,896	20,782,652
Total capital assets	2,625,014	4,245,080	2,000,124	5,308,493	2,407,882	1,962,036	1,188,584	2,992,310	22,729,523
Discount on ground lease - net	-	-	-	-	178,731	141,291	-	-	320,022
Other assets	5,520	29,121	5,840	148,113	15,845	25,232	1,116	19,550	250,337
Total noncurrent assets	2,630,534	4,274,201	2,005,964	5,456,606	2,602,458	2,128,559	1,189,700	3,011,860	23,299,882
Total assets	\$ 3,070,640	\$ 4,511,812	\$ 2,158,022	\$ 5,864,201	\$ 2,845,037	\$ 2,311,882	\$ 1,501,475	\$ 3,171,875	\$ 25,434,944

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

15. DISCRETELY PRESENTED COMPONENT UNITS - Continued

	Jacob's Lane	Hawthorn-at-29th	New Winds	Roosevelt Crossing	Sheldon Village I	Sheldon Village II	Munsel Park	Turtle Creek	Total
<b>LIABILITIES</b>									
<b>Current liabilities</b>									
Accounts payable	\$ 7,067	\$ 2,393	\$ 1,120	\$ 3,592	\$ 3,336	\$ 3,193	\$ 10,624	\$ 1,354	\$ 32,679
Accrued interest	2,101	4,074	-	-	-	911	1,528	-	8,614
Due to HACSA	-	-	27,907	25,101	1,880	1,686	156,958	-	213,532
Due to other related parties	-	-	-	10,459	-	-	5,594	2,388	18,441
Prepaid rents	-	5,801	5	-	1,279	383	-	-	7,468
Refundable security deposits	27,427	5,977	7,139	4,200	17,145	16,710	15,944	22,058	116,600
Current portion of mortgages payable	21,062	29,195	-	-	11,494	9,971	13,810	7,688	93,220
Total current liabilities	57,657	47,440	36,171	43,352	35,134	32,854	204,458	33,488	490,554
<b>Noncurrent liabilities</b>									
Mortgages payable	476,861	1,153,497	-	3,137,976	295,563	281,310	481,623	292,463	6,119,293
Notes payable - HACSA	506,440	975,682	876,611	-	384,195	390,805	770,726	867,000	4,771,459
Accrued interest - HACSA	-	25,874	208,880	-	303,973	136,920	35,206	353,744	1,064,597
Developer fee payable - HACSA	-	30,651	102,200	-	-	-	-	-	132,851
Due to HACSA	-	-	-	-	-	-	58,770	-	58,770
Total noncurrent liabilities	983,301	2,185,704	1,187,691	3,137,976	983,731	809,035	1,346,325	1,513,207	12,146,970
Total liabilities	1,040,958	2,233,144	1,223,862	3,181,328	1,018,865	841,889	1,550,783	1,546,695	12,637,524
<b>NET POSITION</b>									
Net investment in capital assets	1,620,651	2,056,055	1,021,313	2,170,517	1,716,630	1,279,950	(136,345)	1,825,159	11,553,930
Restricted	228,054	8,380	117,869	351,243	199,364	146,758	158,634	119,128	1,329,430
Unrestricted	180,977	214,233	(205,022)	161,113	(89,822)	43,285	(71,597)	(319,107)	(85,940)
Total net position	2,029,682	2,278,668	934,160	2,682,873	1,826,172	1,469,993	(49,308)	1,625,180	12,797,420
Total liabilities and net position	\$ 3,070,640	\$ 4,511,812	\$ 2,158,022	\$ 5,864,201	\$ 2,845,037	\$ 2,311,882	\$ 1,501,475	\$ 3,171,875	\$ 25,434,944

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014**

**15. DISCRETELY PRESENTED COMPONENT UNITS - Continued**

	Jacob's Lane	Hawthorn-at-29th	New Winds	Roosevelt Crossing	Sheldon Village I	Sheldon Village II	Munsel Park	Turtle Creek	Total
<b>OPERATING REVENUES</b>									
Rental revenue	\$ 277,124	\$ 280,474	\$ 101,038	\$ 49,548	\$ 214,790	\$ 180,709	\$ 247,886	\$ 154,403	\$ 1,505,972
Grant income	-	-	-	61,470	-	-	-	-	61,470
Other rental income	2,653	3,242	1,691	-	4,623	4,155	1,960	1,446	19,770
Total revenues	279,777	283,716	102,729	111,018	219,413	184,864	249,846	155,849	1,587,212
<b>OPERATING EXPENSES</b>									
Administrative	51,106	55,948	42,458	44,648	41,326	51,649	52,486	38,330	377,951
Utilities	38,704	18,868	13,151	38,720	26,220	26,511	40,948	22,209	225,331
Operations and maintenance	61,482	30,045	17,536	8,970	35,296	36,198	77,152	41,359	308,038
Depreciation and amortization	175,902	102,373	98,397	185,265	190,216	135,983	61,123	151,598	1,100,857
Taxes and insurance	5,621	3,581	13,793	2,781	14,448	15,356	3,738	2,815	62,133
Total operating expenses	332,815	210,815	185,335	280,384	307,506	265,697	235,447	256,311	2,074,310
<b>OPERATING INCOME (LOSS)</b>	<b>(53,038)</b>	<b>72,901</b>	<b>(82,606)</b>	<b>(169,366)</b>	<b>(88,093)</b>	<b>(80,833)</b>	<b>14,399</b>	<b>(100,462)</b>	<b>(487,098)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>									
Interest income	205	69	27	568	171	106	64	82	1,292
Interest expenses	(51,048)	(62,683)	(53,918)	-	(111,500)	(59,668)	(20,598)	(109,811)	(469,226)
Other nonoperating expenses	(5,195)	(68,788)	(6,888)	(10,060)	(6,002)	(14,062)	(21,529)	(10,388)	(142,912)
Total nonoperating revenues (expenses)	(56,038)	(131,402)	(60,779)	(9,492)	(117,331)	(73,624)	(42,063)	(120,117)	(610,846)
<b>LOSS BEFORE CAPITAL CONTRIBUTIONS</b>	<b>(109,076)</b>	<b>(58,501)</b>	<b>(143,385)</b>	<b>(178,858)</b>	<b>(205,424)</b>	<b>(154,457)</b>	<b>(27,664)</b>	<b>(220,579)</b>	<b>(1,097,944)</b>
Capital contributions	-	1,727,491	-	-	-	-	-	-	1,727,491
Change in net position	(109,076)	1,668,990	(143,385)	(178,858)	(205,424)	(154,457)	(27,664)	(220,579)	629,547
Net position at beginning of the year	2,138,758	609,678	1,077,545	2,861,731	2,031,596	1,624,450	(21,644)	1,845,759	12,167,873
Net position at end of the year	\$ 2,029,682	\$ 2,278,668	\$ 934,160	\$ 2,682,873	\$ 1,826,172	\$ 1,469,993	\$ (49,308)	\$ 1,625,180	\$ 12,797,420

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

15. DISCRETELY PRESENTED COMPONENT UNITS - Continued

	Interest Rates	Monthly Payment	Maturity	Balance 12/31/12	Additions	Retirements	Balance 12/31/13	Current Portion
<b>MORTGAGES PAYABLE:</b>								
<b>Jacob's Lane Limited Partnership</b>								
Bank of America	3.830%	2,338	11/1/2029	\$ 348,972	\$ -	\$ 14,955	\$ 334,017	\$ 15,538
Bank of America	7.580%	1,480	11/1/2029	169,028	-	5,122	163,906	5,524
<b>Hawthorn-at-29th LLC</b>								
Siuslaw Bank	4.000%	6,385	01/10/33	1,756,150	5,000	578,458	1,182,692	29,195
<b>Roosevelt Crossing Limited Partnership</b>								
City of Eugene*	0.000%	-	05/11/29	550,000	-	-	550,000	-
State of Oregon**	0.000%	-	12/31/46	2,587,976	-	-	2,587,976	-
<b>Sheldon Village I Limited Partnership</b>								
Siuslaw Bank	3.890%	1,936	07/01/32	318,112	-	11,056	307,056	11,493
<b>Sheldon Village II Limited Partnership</b>								
Siuslaw Bank	3.750%	1,727	12/01/33	300,886	-	9,605	291,281	9,971
<b>Munsel Park Apartments Limited Partnership</b>								
USDA Rural Development	1.000%	1,146	06/16/38	162,292	-	4,478	157,814	4,399
USDA Rural Development	1.000%	2,201	06/16/38	311,749	-	8,601	303,148	8,450
USDA Rural Development	1.000%	250	06/16/38	35,449	-	978	34,471	961
<b>Turtle Creek Limited Partnership</b>								
Siuslaw Bank	3.320%	1,461	04/01/39	307,588	-	7,436	300,152	7,689
Total long-term debt				<u>\$ 6,848,202</u>	<u>\$ 5,000</u>	<u>\$ 640,689</u>	<u>\$ 6,212,513</u>	<u>\$ 93,220</u>
Long-term portion							<u>\$ 6,119,293</u>	

\* Provided that the Roosevelt Crossing has complied with the terms of the HOME Agreement during the twenty year HOME affordability period, the City of Eugene agrees to release the trust deed or other security and the HOME loan promissory note shall be deemed to be paid and discharged.

\*\* Provided the loan is in compliance for the full period from January 1, 2011 through December 31, 2025, the loan balance payable shall be deemed to have been reduced ratably each year commencing January 1, 2011, at the rate of 6.67% per year but not to less than the minimum amount of \$258,797. The minimum amount payable of \$258,797 is payable in monthly installments beginning January 1, 2026 and is payable in full on or before December 31, 2046.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2014

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**16. RESTATEMENT**

In March 2012, GASB issued Statement 65, *Items Previously Recorded as Asset and Liabilities*. The statement reclassifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources, and to recognize certain items that were previously reported as assets and liabilities as outflows (expenses) or inflows (revenues) of resources. As of October 1, 2013, HACSA implemented GASB Statement No. 65 and restated the beginning net position of the primary government to write off the unamortized financing costs that were previously reported as assets.

	As previously reported <u>09/30/13</u>	<u>Restatement</u>	As restated <u>09/30/13</u>
INCREASE IN NET POSITION	\$ 2,495,534	\$ (4,306)	\$ 2,491,228
NET POSITION - Beginning of year	<u>46,152,974</u>	<u>(15,567)</u>	<u>46,137,407</u>
NET POSITION - End of year	<u><u>\$ 48,648,508</u></u>	<u><u>\$ (19,873)</u></u>	<u><u>\$ 48,628,635</u></u>

**17. SUBSEQUENT EVENTS**

Management has evaluated events and transactions occurring after September 30, 2014 through June 26, 2015, the date the financial statements were available for issuance, for potential recognition or disclosure in the financial statements and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

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**SUPPLEMENTARY INFORMATION**

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

FINANCIAL DATA SCHEDULE - COMBINING SCHEDULE OF NET POSITION  
SEPTEMBER 30, 2014

	Low Rent Public Housing	Housing Choice Vouchers	Resident Opportunity and Supportive Services	Weatherization Assistance for Low-income Persons	Shelter Care Plus	Rural Rental Assistance Payments	N/C S/R Section 8 Programs
111 Cash - Unrestricted	\$ -	\$1,434,078	\$ -	\$ -	\$ -	\$ 88,309	\$ 172,629
113 Cash - Other Restricted	204,250	152,103	-	-	-	240,756	211,005
114 Cash - Tenant Security Deposits	169,410	-	-	-	-	29,613	4,720
100 Total Cash	373,660	1,586,181	-	-	-	358,678	388,354
122 Accounts Receivable - HUD Other Projects	36,605	-	56,782	-	97,338	-	-
124 Accounts Receivable - Other Government	-	-	-	162,951	-	-	-
125 Accounts Receivable - Miscellaneous	35,886	-	-	-	-	1,046	-
126 Accounts Receivable - Tenants	25,831	-	-	-	-	8,772	9,502
127 Notes, Loans, & Mortgages Receivable - Current	26,339	-	-	-	-	-	-
128 Fraud Recovery	-	222,242	-	-	-	-	-
128.1 Allowance for Doubtful Accounts - Fraud	-	(222,242)	-	-	-	-	-
129 Accrued Interest Receivable	-	-	-	-	-	-	-
120 Total Receivables, Net of Allowances for Doubtful Accounts	124,661	-	56,782	162,951	97,338	9,818	9,502
131 Investments - Unrestricted	1,237,188	-	-	-	-	-	-
142 Prepaid Expenses and Other Assets	7,137	59,302	-	-	-	8,787	1,845
143 Inventories	21,798	-	-	-	-	-	177
144 Inter Program Due From	10,918	-	-	-	-	-	22,140
150 Total Current Assets	1,277,041	59,302	-	-	-	8,787	24,162
161 Land	4,294,268	-	-	-	-	470,406	214,386
162 Buildings	34,984,261	-	-	-	-	4,934,458	1,682,335
163 Furniture, Equipment & Machinery - Dwellings	-	-	-	-	-	-	17,034
164 Furniture, Equipment & Machinery - Administration	1,346,758	88,393	-	-	-	-	-
166 Accumulated Depreciation	(21,805,233)	(79,553)	-	-	-	(573,190)	(915,184)
167 Construction in Progress	1,521,512	-	-	-	-	-	-
160 Total Capital Assets, Net of Accumulated Depreciation	20,341,566	8,840	-	-	-	4,831,674	998,571
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	-	-	-
174 Other Assets	-	-	-	-	-	-	-
176 Investments in Joint Ventures	-	-	-	-	-	-	-
180 Total Non-Current Assets	20,341,566	8,840	-	-	-	4,831,674	998,571
190 Total Assets	\$22,116,928	\$1,654,323	\$ 56,782	\$ 162,951	\$ 97,338	\$ 5,208,957	\$ 1,420,589
312 Accounts Payable <= 90 Days	\$ 77,173	\$ -	\$ -	\$ 15,723	\$ -	\$ 21,090	\$ 4,563
321 Accrued Wage/Payroll Taxes Payable	2,281	22,760	-	-	-	-	742
322 Accrued Compensated Absences - Current Portion	64,858	89,212	-	-	-	-	-
325 Accrued Interest Payable	-	-	-	-	-	713	-
333 Accounts Payable - Other Government	125,828	-	-	-	-	-	-
341 Tenant Security Deposits	170,160	-	-	-	-	28,866	4,720
342 Deferred Revenues	-	-	798	-	-	382	-
343 Current Portion of Long-term Debt - Capital Projects / Mortgage Revenue Bonds	-	-	-	-	-	70,400	15,326
345 Other Current Liabilities	2,456	-	-	-	-	-	-
347 Inter Program - Due To	12,184	131,602	55,984	153,110	92,060	211,869	31,148
310 Total Current Liabilities	454,940	243,574	56,782	168,833	92,060	333,320	56,499
351 Long-Term Debt, Net of Current - Capital Projects / Mortgage Revenue	-	-	-	-	-	2,189,117	332,394
353 Non-Current Liabilities - Other	206,339	152,104	-	-	-	-	-
354 Accrued Compensated Absences - Non Current	27,796	38,233	-	-	-	-	-
350 Total Non-Current Liabilities	234,135	190,337	-	-	-	2,189,117	332,394
300 Total Liabilities	689,075	433,911	56,782	168,833	92,060	2,522,437	388,893
508.4 Net Investment in Capital Assets	20,341,566	8,840	-	-	-	2,572,157	650,851
511.4 Restricted Net Position	238,034	337,102	-	-	-	241,503	211,005
512.4 Unrestricted Net Position	848,253	874,470	-	(5,882)	5,278	(127,140)	169,840
513 Total Equity - Net Position	21,427,853	1,220,412	-	(5,882)	5,278	2,686,520	1,031,696
600 Total Liabilities and Equity - Net Position	\$22,116,928	\$1,654,323	\$ 56,782	\$ 162,951	\$ 97,338	\$ 5,208,957	\$ 1,420,589

Interest Reduction Payments	Low-Income Home Emergency Assistance	Supportive Housing Program	Other Federal Program 1	1. Business Activities	Central Office Cost Center	Component Unit - Discretely Presented	Component Unit - Blended	Subtotal	Eliminations	Total
\$ -	\$ -	\$ -	\$ -	\$ 109,625	\$ 276,403	\$ 601,628	\$ 130,690	\$ 2,813,362	\$ -	\$ 2,813,362
590,116	-	-	-	351,033	-	1,329,430	398,755	3,477,448	-	3,477,448
40,262	-	-	-	50,024	-	113,210	60,353	467,592	-	467,592
630,378	-	-	-	510,682	276,403	2,044,268	589,798	6,758,402	-	6,758,402
-	-	-	-	-	-	-	-	190,725	-	190,725
-	91,861	-	-	128,342	-	-	-	383,154	-	383,154
-	-	-	-	911,882	200	66,056	4,628	1,019,698	(163,975)	855,723
5,863	-	-	-	8,118	-	2,078	-	60,164	-	60,164
-	-	-	-	-	-	-	-	26,339	-	26,339
-	-	-	-	-	-	-	-	222,242	-	222,242
-	-	-	-	-	-	-	-	(222,242)	-	(222,242)
-	-	-	-	1,257,564	-	-	-	1,257,564	-	1,257,564
5,863	91,861	-	-	2,305,906	200	68,134	4,628	2,937,644	(163,975)	2,773,669
-	-	-	-	857,842	577,725	-	-	2,672,755	-	2,672,755
3,368	-	-	-	27,357	149,436	22,660	7,666	287,558	-	287,558
13,094	-	-	-	1,993	24,894	-	-	61,956	-	61,956
-	-	-	-	1,768,651	1,342,832	-	-	3,144,541	(3,144,541)	-
16,462	-	-	-	2,655,843	2,094,887	22,660	7,666	6,166,810	(3,144,541)	3,022,269
1,363,547	-	-	-	2,303,025	165,394	1,946,871	365,748	11,123,645	-	11,123,645
5,428,759	-	-	20,229	7,021,320	1,156,265	29,934,917	6,220,186	91,382,730	-	91,382,730
-	-	-	-	81,043	-	506,635	197,975	802,687	-	802,687
33,013	-	-	-	722,581	458,772	-	-	2,649,517	-	2,649,517
(2,046,176)	-	-	(5,078)	(3,151,375)	(1,252,881)	(9,658,900)	(4,338,546)	(43,826,116)	-	(43,826,116)
-	-	-	-	-	2,788	-	-	1,524,300	-	1,524,300
4,779,143	-	-	15,151	6,976,594	530,338	22,729,523	2,445,363	63,656,763	-	63,656,763
-	-	-	-	4,783,420	-	-	-	4,783,420	-	4,783,420
-	-	-	-	221,041	1,144	570,359	105,367	897,911	-	897,911
-	-	-	-	1,319,730	-	-	-	1,319,730	-	1,319,730
4,779,143	-	-	15,151	13,300,785	531,482	23,299,882	2,550,730	70,657,824	-	70,657,824
\$ 5,431,846	\$ 91,861	\$ -	\$ 15,151	\$ 18,773,216	\$ 2,902,972	\$ 25,434,944	\$ 3,152,822	\$ 86,520,680	\$ (3,308,516)	\$ 83,212,164
\$ 35,592	\$ -	\$ -	\$ -	\$ 44,943	\$ 35,981	\$ 32,679	\$ 10,954	\$ 278,698	\$ -	\$ 278,698
3,612	-	-	-	279	15,948	-	-	45,622	-	45,622
-	-	-	-	60,081	54,697	-	-	268,848	-	268,848
-	-	-	-	15,064	-	8,614	5,070	29,461	-	29,461
40,262	-	-	-	-	-	-	-	125,828	-	125,828
-	-	-	-	53,294	-	116,600	60,353	474,255	-	474,255
-	-	-	-	1,403	-	7,468	-	10,051	-	10,051
31,620	-	-	-	190,143	-	93,220	41,490	442,199	-	442,199
-	-	-	-	858	-	231,973	173,785	409,072	(163,975)	245,097
280,316	105,129	118	15,493	735,061	1,214,243	-	106,224	3,144,541	(3,144,541)	-
391,402	105,129	118	15,493	1,101,126	1,320,869	490,554	397,876	5,228,575	(3,308,516)	1,920,059
-	-	-	-	2,913,457	-	6,119,293	1,123,925	12,678,186	-	12,678,186
-	-	-	-	-	334,084	6,027,677	-	6,720,204	-	6,720,204
-	-	-	-	25,749	23,442	-	-	115,220	-	115,220
-	-	-	-	2,939,206	357,526	12,146,970	1,123,925	19,513,610	-	19,513,610
391,402	105,129	118	15,493	4,040,332	1,678,395	12,637,524	1,521,801	24,742,185	(3,308,516)	21,433,669
4,747,523	-	-	15,151	3,872,994	530,338	11,553,930	1,279,948	45,573,298	-	45,573,298
590,116	-	-	-	347,763	-	1,329,430	398,755	3,693,708	-	3,693,708
(297,195)	(13,268)	(118)	(15,493)	10,512,127	694,239	(85,940)	(47,682)	12,511,489	-	12,511,489
5,040,444	(13,268)	(118)	(342)	14,732,884	1,224,577	12,797,420	1,631,021	61,778,495	-	61,778,495
\$ 5,431,846	\$ 91,861	\$ -	\$ 15,151	\$ 18,773,216	\$ 2,902,972	\$ 25,434,944	\$ 3,152,822	\$ 86,520,680	\$ (3,308,516)	\$ 83,212,164

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

FINANCIAL DATA SCHEDULE - COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET POSITION  
YEAR ENDED SEPTEMBER 30, 2014

	Low Rent Public Housing	Housing Choice Vouchers	Resident Opportunity and Supportive Services	Weatherization Assistance for Low-income Persons	Shelter Care Plus	Rural Rental Assistance Payments	N/C S/R Section 8 Programs
70300 Net Tenant Rental Revenue	\$ 1,772,081	\$ -	\$ -	\$ -	\$ -	\$ 235,492	\$ 59,464
70400 Tenant revenue - Other	13,010	-	-	-	-	-	-
70500 Total tenant revenue	1,785,091	-	-	-	-	235,492	59,464
70600 HUD PHA Operating Grants	1,981,074	16,672,003	156,954	-	420,148	-	208,714
70610 Capital Grants	908,733	-	-	-	-	-	-
70710 Management Fee	-	-	-	-	-	-	-
70720 Asset Management Fee	-	-	-	-	-	-	-
70730 Bookkeeping Fee	-	-	-	-	-	-	-
70740 Front Line Service Fee	-	-	-	-	-	-	-
70750 Other Fees	-	-	-	-	-	-	-
70700 Total Fee Revenue	-	-	-	-	-	-	-
70800 Other Government Grants	-	-	-	559,275	-	437,896	-
71100 Investment Income - Unrestricted	1,341	-	-	-	-	-	-
71200 Mortgage Interest Income	-	-	-	-	-	-	-
71400 Fraud Recovery	-	25,317	-	-	-	-	-
71500 Other Revenue	109,322	22,677	-	-	-	12,306	39,109
72000 Investment Income - Restricted	-	636	-	-	-	65	183
70000 Total Revenue	4,785,561	16,720,633	156,954	559,275	420,148	685,759	307,470
91100 Administrative Salaries	423,179	1,069,436	95,428	30,849	19,996	66,772	29,075
91200 Auditing Fees	10,880	11,087	-	1,243	-	2,235	-
91300 Management Fee	504,756	-	-	-	-	43,520	-
91310 Bookkeeping Fee	61,426	-	-	-	-	-	-
91400 Advertising and Marketing	380	236	-	97	-	739	20
91500 Employee Benefit Contributions - Administrative	259,701	564,526	51,267	16,925	12,183	15,570	17,553
91600 Office Expenses	51,469	88,376	5,898	15,171	-	14,778	1,278
91700 Legal Expense	2,373	610	-	28	-	893	5
91800 Travel	4,835	4,175	679	5,351	-	807	72
91900 Other	123,451	156,759	3,682	53,732	-	7,549	3,793
91000 Total Operating - Administrative	1,442,450	1,895,205	156,954	123,396	32,179	152,863	51,796
92000 Asset Management Fee	84,540	-	-	-	-	-	-
92100 Tenant Services - Salaries	39,154	-	-	-	-	-	-
92300 Employee Benefit Contributions - Tenant Services	14,066	-	-	-	-	-	-
92400 Tenant Services - Other	11,480	-	-	-	-	-	5
92500 Total Tenant Services	64,700	-	-	-	-	-	5
93100 Water	128,535	-	-	-	-	15,408	10,577
93200 Electricity	111,234	-	-	-	-	9,317	2,290
93300 Gas	63,200	-	-	-	-	557	-
93600 Sewer	210,846	-	-	-	-	24,508	17,609
93800 Other Utilities Expense	-	-	-	-	-	-	-
93000 Total Utilities	513,815	-	-	-	-	49,790	30,476
94100 Ordinary Maintenance and Operations - Labor	392,811	107	-	164,708	-	50,183	12,382
94200 Ordinary Maintenance and Operations - Materials and Other	135,557	364	-	103,924	-	39,622	6,475
94300 Ordinary Maintenance and Operations Contracts	727,876	10,008	-	77,366	-	56,084	21,308
94500 Employee Benefit Contributions - Ordinary Maintenance	292,045	53	-	84,696	-	13,334	9,010
94000 Total Maintenance	1,548,289	10,532	-	430,694	-	159,223	49,175
95100 Protective Services - Labor	15,880	-	-	-	-	-	-
95200 Protective Services - Other Contract Costs	-	-	-	-	-	-	-
95500 Employee Benefit Contributions - Protective Services	2,634	-	-	-	-	-	-
95000 Total Protective Services	18,514	-	-	-	-	-	-
96110 Property Insurance	78,536	-	-	-	-	7,449	-
93120 Liability Insurance	-	15,252	-	2,360	-	-	2,753
96100 Total Insurance Premiums	78,536	15,252	-	2,360	-	7,449	2,753

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

FINANCIAL DATA SCHEDULE - COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
YEAR ENDED SEPTEMBER 30, 2014

	Low Rent Public Housing	Housing Choice Vouchers	Resident Opportunity and Supportive Services	Weatherization Assistance for Low-income Persons	Shelter Care Plus	Rural Rental Assistance Payments	N/C S/R Section 8 Programs
96200 Other General Expenses	\$ -	\$ -	\$ -	\$ 8,707	\$ -	\$ -	\$ -
96300 Payments in Lieu of Taxes	124,396	-	-	-	-	-	13,389
96400 Bad Debt - Tenant Rents	14,094	-	-	-	-	844	-
96000 Total Other General Expenses	138,490	-	-	8,707	-	844	13,389
96710 Interest of Mortgage (or Bonds) Payable	-	-	-	-	-	62,115	7,024
96900 Total Operating Expenses	3,889,334	1,920,989	156,954	565,157	32,179	432,284	154,618
97000 Excess of Operating Revenue Over Operating Expenses	896,227	14,799,644	-	(5,882)	387,969	253,475	152,852
97100 Extraordinary Maintenance	63,365	-	-	-	-	-	-
97200 Casualty Losses - Non-capitalized	5,584	-	-	-	-	-	-
97300 Housing Assistance Payments	-	15,056,040	-	-	392,305	-	-
97350 HAP Portability-In	-	20,551	-	-	-	-	-
97400 Depreciation Expense	647,030	119	-	-	-	118,694	37,853
90000 Total Expenses	4,605,313	16,997,699	156,954	565,157	424,484	550,978	192,471
10091 Inter Project Excess Cash Transfer In	169,821	-	-	-	-	-	-
10092 Inter Project Excess Cash Transfer Out	(169,821)	-	-	-	-	-	-
10100 Total Other financing Sources (Uses)	-	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	180,248	(277,066)	-	(5,882)	(4,336)	134,781	114,999
<b>Memo Account Information</b>							
11020 Required Annual Debt Principal Payments	-	-	-	-	-	70,401	18,695
11030 Beginning Equity	21,247,605	1,497,478	-	-	9,614	2,551,739	916,697
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-	-	-	-
11170 Administrative Fee Equity	-	883,310	-	-	-	-	-
11180 Housing Assistance Payments Equity	-	337,102	-	-	-	-	-
11190 Unit Months Available	8,484	32,300	-	-	1,056	836	300
11210 Number of Unit Months Leased	8,310	31,629	-	-	939	828	300
11270 Excess Cash	774,072	-	-	-	-	-	-
11620 Building Purchases	885,602	-	-	-	-	-	-
11630 Furniture & Equipment - Dwelling Purchases	23,168	-	-	-	-	-	-

Interest Reduction Payments	Low-Income Home Emergency Assistance	Supportive Housing Program	Other Federal Program 1	1. Business Activities	Central Office Cost Center	Component Unit - Discretely Presented	Component Unit - Blended	Subtotal	Eliminations	Total
\$ -	\$ 5,920	\$ -	\$ -	\$ 237,931	\$ -	\$ 142,912	\$ -	\$ 395,470	\$ -	\$ 395,470
-	-	-	-	-	-	-	-	137,785	-	137,785
3,618	-	-	-	2,185	-	-	-	20,741	-	20,741
3,618	5,920	-	-	240,116	-	142,912	-	553,996	-	553,996
1,849	-	-	-	95,658	-	469,226	61,959	697,831	-	697,831
851,554	419,412	-	-	1,616,453	1,600,313	1,585,591	483,465	13,708,303	(1,545,450)	12,162,853
10,086	(13,268)	238,743	-	732,089	50,592	1,730,404	55,068	19,287,999	-	19,287,999
5,040	-	-	-	14,660	-	-	13	83,078	-	83,078
-	-	-	-	-	-	-	-	5,584	-	5,584
-	-	235,132	-	10,004	-	-	-	15,693,481	-	15,693,481
-	-	-	-	-	-	-	-	20,551	-	20,551
123,362	-	-	455	217,504	36,287	1,100,857	221,157	2,503,318	-	2,503,318
979,956	419,412	235,132	455	1,858,621	1,636,600	2,686,448	704,635	32,014,315	(1,545,450)	30,468,865
-	-	-	-	-	-	-	-	169,821	-	169,821
-	-	-	-	-	-	-	-	(169,821)	-	(169,821)
-	-	-	-	-	-	-	-	-	-	-
(118,316)	(13,268)	3,611	(455)	489,921	14,305	629,547	(166,102)	981,987	-	981,987
29,827	-	-	-	193,534	-	93,219	41,490	447,166	-	447,166
5,158,760	-	(3,729)	113	16,059,959	1,210,272	12,167,873	-	60,816,381	-	60,816,381
-	-	-	-	(1,816,996)	-	-	1,797,123	(19,873)	-	(19,873)
-	-	-	-	-	-	-	-	883,310	-	883,310
-	-	-	-	-	-	-	-	337,102	-	337,102
1,584	-	-	-	1,824	-	3,720	1,176	51,280	-	51,280
1,568	-	-	-	1,770	-	3,646	1,148	50,138	-	50,138
-	-	-	-	-	-	-	-	774,072	-	774,072
-	-	-	-	-	-	-	-	885,602	-	885,602
-	-	-	-	-	-	-	-	23,168	-	23,168

Interest Reduction Payments	Low-Income Home Emergency Assistance	Supportive Housing Program	Other Federal Program 1	1. Business Activities	Central Office Cost Center	Component Unit - Discretely Presented	Component Unit - Blended	Subtotal	Eliminations	Total
\$ 463,075	\$ -	\$ -	\$ -	\$ 952,374	\$ -	\$ 1,505,972	\$ 515,278	\$ 5,503,736	\$ -	\$ 5,503,736
11,870	-	-	-	-	-	-	-	24,880	-	24,880
474,945	-	-	-	952,374	-	1,505,972	515,278	5,528,616	-	5,528,616
359,237	-	238,743	-	-	-	-	-	20,036,873	-	20,036,873
-	-	-	-	-	-	-	-	908,733	-	908,733
-	-	-	-	-	504,755	-	-	504,755	(504,755)	-
-	-	-	-	-	84,540	-	-	84,540	(84,540)	-
-	-	-	-	-	61,425	-	-	61,425	(61,425)	-
-	-	-	-	-	184,591	-	-	184,591	(184,591)	-
-	-	-	-	-	614,619	-	-	614,619	(614,619)	-
-	-	-	-	-	1,449,930	-	-	1,449,930	(1,449,930)	-
-	406,144	-	-	694,854	-	61,470	-	2,159,639	-	2,159,639
-	-	-	-	283,999	426	1,292	466	287,524	-	287,524
-	-	-	-	1,454	-	-	-	1,454	-	1,454
-	-	-	-	-	-	-	-	25,317	-	25,317
27,058	-	-	-	415,701	200,549	1,747,261	22,789	2,596,772	(95,520)	2,501,252
400	-	-	-	160	-	-	-	1,444	-	1,444
861,640	406,144	238,743	-	2,348,542	1,650,905	3,315,995	538,533	32,996,302	(1,545,450)	31,450,852
121,221	23,386	-	-	251,741	676,657	143,524	54,540	3,005,804	(297,749)	2,708,055
2,443	820	-	-	2,373	8,878	40,400	3,000	83,359	-	83,359
80,061	-	-	-	26,714	-	115,665	37,102	807,818	(590,834)	216,984
-	-	-	-	-	-	870	-	62,296	(61,426)	870
657	64	-	-	89	42	3,453	-	5,777	-	5,777
110,865	11,258	-	-	130,115	352,041	-	324	1,542,328	(210,070)	1,332,258
36,574	11,720	-	-	34,667	31,421	14,553	10,801	316,706	(106,800)	209,906
1,874	21	-	-	718	144	1,039	635	8,340	-	8,340
245	2,329	-	-	5,623	6,144	1,183	-	31,443	-	31,443
1,999	34,610	-	-	56,996	35,834	81,930	17,199	577,534	-	577,534
355,939	84,208	-	-	509,036	1,111,161	402,617	123,601	6,441,405	(1,266,879)	5,174,526
9,440	-	-	-	-	-	-	-	93,980	(93,980)	-
-	-	-	-	-	-	-	-	39,154	-	39,154
-	-	-	-	-	-	-	-	14,066	-	14,066
-	-	-	-	20	273	-	-	11,778	-	11,778
-	-	-	-	20	273	-	-	64,998	-	64,998
26,745	-	-	-	22,050	2,335	49,795	18,289	273,734	-	273,734
18,950	-	-	-	16,778	22,810	39,241	16,260	236,880	-	236,880
12,448	-	-	-	234	-	59,020	-	135,459	-	135,459
33,068	-	-	-	33,786	4,384	-	16,908	341,109	-	341,109
-	-	-	-	-	-	77,275	-	77,275	-	77,275
91,211	-	-	-	72,848	29,529	225,331	51,457	1,064,457	-	1,064,457
95,542	135,944	-	-	104,451	128,342	60,875	-	1,145,345	-	1,145,345
54,029	55,184	-	-	270,338	161,607	206,538	136,452	1,170,090	-	1,170,090
203,692	65,012	-	-	253,239	65,657	15,959	101,702	1,597,903	(184,591)	1,413,312
18,586	71,331	-	-	49,372	89,004	-	-	627,431	-	627,431
371,849	327,471	-	-	677,400	444,610	283,372	238,154	4,540,769	(184,591)	4,356,178
-	-	-	-	-	-	-	-	15,880	-	15,880
2,331	-	-	-	-	-	-	552	2,883	-	2,883
360	-	-	-	-	-	-	-	2,994	-	2,994
2,691	-	-	-	-	-	-	552	21,757	-	21,757
14,957	-	-	-	15,211	14,740	26,114	-	157,007	-	157,007
-	1,813	-	-	6,164	-	36,019	7,742	72,103	-	72,103
14,957	1,813	-	-	21,375	14,740	62,133	7,742	229,110	-	229,110

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**FINANCIAL DATA SCHEDULE - COMBINING SCHEDULE OF NET POSITION -  
LOW RENT PUBLIC HOUSING DETAIL  
SEPTEMBER 30, 2014**

	AMP 1 <u>OR006000100</u>	AMP 2 <u>OR006000200</u>
113 Cash - Other Restricted	\$ 1,667	\$ 81,459
114 Cash - Tenant Security Deposits	<u>8,630</u>	<u>60,985</u>
100 Total Cash	<u>10,297</u>	<u>142,444</u>
122 Accounts Receivable - HUD Other Projects	831	10,171
125 Accounts Receivable - Miscellaneous	-	35,885
126 Accounts Receivable - Tenants	2,286	8,217
127 Notes, Loans, & Mortgages Receivable - Current	<u>927</u>	<u>9,722</u>
120 Total Receivables, Net of Allowances for Doubtful Accounts	<u>4,044</u>	<u>63,995</u>
131 Investments - Unrestricted	33,784	198,435
142 Prepaid Expenses and Other Assets	52	1,761
143 Inventories	-	1,743
144 Inter Program Due From	<u>291</u>	<u>-</u>
150 Total Current Assets	<u>48,468</u>	<u>408,378</u>
161 Land	299,209	1,312,541
162 Buildings	3,728,775	9,569,058
164 Furniture, Equipment & Machinery - Administration	55,796	455,593
166 Accumulated Depreciation	(1,368,874)	(7,341,585)
167 Construction in Progress	<u>50,491</u>	<u>570,379</u>
160 Total Capital Assets, Net of Accumulated Depreciation	<u>2,765,397</u>	<u>4,565,986</u>
290 Total Assets and Deferred Outflow of Resources	<u>\$ 2,813,865</u>	<u>\$ 4,974,364</u>
312 Accounts Payable <= 90 Days	\$ 5,600	\$ 17,277
321 Accrued Wage/Payroll Taxes Payable	-	417
322 Accrued Compensated Absences - Current Portion	873	23,980
333 Accounts Payable - Other Government	2,920	45,855
341 Tenant Security Deposits	8,630	60,985
345 Other Current Liabilities	-	-
347 Inter Program - Due To	<u>-</u>	<u>4,262</u>
310 Total Current Liabilities	<u>18,023</u>	<u>152,776</u>
353 Non-current Liabilities - Other	1,567	78,617
354 Accrued Compensated Absences - Non Current	<u>374</u>	<u>10,277</u>
350 Total Non-Current Liabilities	<u>1,941</u>	<u>88,894</u>
300 Total Liabilities	<u>19,964</u>	<u>241,670</u>
508.4 Net Investment in Capital Assets	2,765,397	4,565,986
511.4 Restricted Net Position	35,451	81,459
512.4 Unrestricted Net Position	<u>(6,947)</u>	<u>85,249</u>
513 Total Equity - Net Assets / Position	<u>2,793,901</u>	<u>4,732,694</u>
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	<u>\$ 2,813,865</u>	<u>\$ 4,974,364</u>

AMP 3 OR006000300	AMP 4 OR006000400	AMP 5 OR006000500	AMP 6 OR006000600	Total
\$ 76,464	\$ 13,679	\$ 30,981	\$ -	\$ 204,250
57,345	16,725	16,700	9,025	169,410
133,809	30,404	47,681	9,025	373,660
6,820	5,613	2,420	10,750	36,605
-	-	1	-	35,886
10,723	1,161	2,865	579	25,831
12,800	1,993	897	-	26,339
30,343	8,767	6,183	11,329	124,661
197,072	358,152	372,833	76,912	1,237,188
1,344	836	583	2,561	7,137
1,245	3,268	3,980	11,562	21,798
-	-	10,627	-	10,918
363,813	401,427	441,887	111,389	1,775,362
1,024,218	687,758	450,796	519,746	4,294,268
7,135,606	5,317,519	3,520,622	5,712,681	34,984,261
357,711	162,463	146,914	168,281	1,346,758
(3,871,660)	(4,114,524)	(2,255,714)	(2,852,876)	(21,805,233)
180,892	58,377	148,925	512,448	1,521,512
4,826,767	2,111,593	2,011,543	4,060,280	20,341,566
\$ 5,190,580	\$ 2,513,020	\$ 2,453,430	\$ 4,171,669	\$ 22,116,928
\$ 17,117	\$ 7,528	\$ 13,310	\$ 16,341	\$ 77,173
735	195	514	420	2,281
11,971	11,836	7,834	8,364	64,858
24,338	27,269	11,651	13,795	125,828
57,345	16,725	16,700	9,775	170,160
-	-	2,456	-	2,456
4,062	2,135	-	1,725	12,184
115,568	65,688	52,465	50,420	454,940
80,326	14,573	31,256	-	206,339
5,130	5,073	3,358	3,584	27,796
85,456	19,646	34,614	3,584	234,135
201,024	85,334	87,079	54,004	689,075
4,826,767	2,111,593	2,011,543	4,060,280	20,341,566
76,464	13,679	30,981	-	238,034
86,325	302,414	323,827	57,385	848,253
4,989,556	2,427,686	2,366,351	4,117,665	21,427,853
\$ 5,190,580	\$ 2,513,020	\$ 2,453,430	\$ 4,171,669	\$ 22,116,928

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

FINANCIAL DATA SCHEDULE - COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET POSITION - LOW RENT PUBLIC HOUSING DETAIL  
YEAR ENDED SEPTEMBER 30, 2014

	AMP 1 OR006000100			AMP 2 OR006000200		
	Low Rent	Capital Fund	Total	Low Rent	Capital Fund	Total
70300 Net Tenant Rental Revenue	\$ 70,679	\$ -	\$ 70,679	\$ 582,223	\$ -	\$ 582,223
70400 Tenant Revenue - Other	-	-	-	-	-	-
70500 Total Tenant Revenue	70,679	-	70,679	582,223	-	582,223
70600 HUD PHA Operating Grants	87,045	6,024	93,069	500,541	42,385	542,926
70610 Capital Grants	-	40,701	40,701	-	286,371	286,371
71100 Investment Income - Unrestricted	62	-	62	340	-	340
71500 Other Revenue	7,079	-	7,079	52,972	-	52,972
70000 Total Revenue	164,865	46,725	211,590	1,136,076	328,756	1,464,832
91100 Administrative Salaries	11,901	-	11,901	125,051	-	125,051
91200 Auditing Fees	1,105	92	1,197	2,783	645	3,428
91300 Management Fee	16,036	4,268	20,304	124,368	30,027	154,395
91310 Book-keeping Fee	2,393	-	2,393	18,555	-	18,555
91400 Advertising and Marketing	18	-	18	99	-	99
91500 Employee Benefit contributions - Administrative	6,538	-	6,538	72,870	-	72,870
91600 Office Expenses	5,503	-	5,503	7,593	-	7,593
91700 Legal Expense	2	-	2	1,441	-	1,441
91800 Travel	99	-	99	358	-	358
91900 Other	2,173	1,664	3,837	51,972	11,713	63,685
91000 Total Operating - Administrative	45,768	6,024	51,792	405,090	42,385	447,475
92000 Asset Management Fee	3,600	-	3,600	25,680	-	25,680
92100 Tenant Services - Salaries	1,574	-	1,574	12,210	-	12,210
92300 Employee Benefit Contributions - Tenant Services	573	-	573	4,330	-	4,330
92400 Tenant Services - Other	507	-	507	3,383	-	3,383
92500 Total Tenant Services	2,654	-	2,654	19,923	-	19,923
93100 Water	16,207	-	16,207	36,855	-	36,855
93200 Electricity	1,939	-	1,939	1,255	-	1,255
93300 Gas	-	-	-	-	-	-
93600 Sewer	23,336	-	23,336	85,565	-	85,565
93000 Total Utilities	41,482	-	41,482	123,675	-	123,675
94100 Ordinary Maintenance and Operations - Labor	5,725	-	5,725	137,858	-	137,858
94200 Ordinary Maintenance and Operations - Materials and	3,100	-	3,100	32,872	-	32,872
94300 Ordinary Maintenance and Operations Contracts	83,067	-	83,067	223,179	-	223,179
94500 Employee Benefit Contributions - Ordinary Maintenance	3,767	-	3,767	98,595	-	98,595
94000 Total Maintenance	95,659	-	95,659	492,504	-	492,504
95100 Protective Services - Labor	-	-	-	9,857	-	9,857
95500 Employee Benefit Contributions - Protective Services	-	-	-	1,628	-	1,628
95000 Total Protective Services	-	-	-	11,485	-	11,485
96110 Property Insurance	3,964	-	3,964	20,017	-	20,017
96300 Payments in Lieu of Taxes	2,512	-	2,512	45,707	-	45,707
96400 Bad debt - Tenant Rents	324	-	324	4,255	-	4,255
96000 Total Other General Expenses	2,836	-	2,836	49,962	-	49,962
96900 Total Operating Expenses	195,963	6,024	201,987	1,148,336	42,385	1,190,721
97000 Excess of Operating Revenue over Operating Expenses	(31,098)	40,701	9,603	(12,260)	286,371	274,111
97100 Extraordinary Maintenance	-	-	-	40,069	-	40,069
97200 Casualty Losses - Non-capitalized	-	-	-	5,584	-	5,584
97400 Depreciation Expense	42,033	-	42,033	179,782	-	179,782
90000 Total Expenses	237,996	6,024	244,020	1,373,771	42,385	1,416,156
10091 Inter Project Excess Cash Transfer In	-	-	-	-	-	-
10092 Inter Project Excess Cash Transfer Out	-	-	-	-	-	-
10100 Total Other financing Sources (Uses)	-	-	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (73,131)	\$ 40,701	\$ (32,430)	\$ (237,695)	\$ 286,371	\$ 48,676

AMP 3 OR006000300			AMP 4 OR006000400			AMP 5 OR006000500		
Low Rent	Capital Fund	Total	Low Rent	Capital Fund	Total	Low Rent	Capital Fund	Total
\$ 273,030	\$ -	\$ 273,030	\$ 429,800	\$ -	\$ 429,800	\$ 211,370	\$ -	\$ 211,370
-	-	-	8,736	-	8,736	2,400	-	2,400
273,030	-	273,030	438,536	-	438,536	213,770	-	213,770
404,279	13,357	417,636	291,425	985	292,410	228,891	142,936	371,827
-	90,246	90,246	-	6,655	6,655	-	80,402	80,402
419	-	419	210	-	210	146	-	146
31,457	-	31,457	3,406	-	3,406	5,500	-	5,500
709,185	103,603	812,788	733,577	7,640	741,217	448,307	223,338	671,645
93,052	-	93,052	89,182	-	89,182	48,531	-	48,531
892	203	1,095	2,783	15	2,798	659	181	840
75,355	9,463	84,818	89,179	698	89,877	52,582	8,431	61,013
11,243	-	11,243	13,305	-	13,305	7,845	-	7,845
68	-	68	79	-	79	57	-	57
64,114	-	64,114	59,002	-	59,002	27,127	-	27,127
8,759	-	8,759	10,683	-	10,683	9,009	-	9,009
781	-	781	8	-	8	136	-	136
372	-	372	1,166	-	1,166	2,087	-	2,087
10,968	3,691	14,659	8,749	272	9,021	6,223	3,288	9,511
265,604	13,357	278,961	274,136	985	275,121	154,256	11,900	166,156
15,540	-	15,540	17,880	-	17,880	10,680	-	10,680
7,465	-	7,465	8,294	-	8,294	4,745	-	4,745
2,588	-	2,588	3,037	-	3,037	1,745	-	1,745
2,075	-	2,075	2,433	-	2,433	1,408	-	1,408
12,128	-	12,128	13,764	-	13,764	7,898	-	7,898
10,948	-	10,948	13,449	-	13,449	30,469	-	30,469
4,009	-	4,009	71,541	-	71,541	12,220	-	12,220
-	-	-	47,788	-	47,788	14,239	-	14,239
14,696	-	14,696	24,334	-	24,334	37,931	-	37,931
29,653	-	29,653	157,112	-	157,112	94,859	-	94,859
103,942	-	103,942	34,803	-	34,803	59,892	-	59,892
42,298	-	42,298	19,786	-	19,786	14,742	-	14,742
189,410	-	189,410	78,524	-	78,524	75,710	-	75,710
77,496	-	77,496	26,918	-	26,918	47,078	-	47,078
413,146	-	413,146	160,031	-	160,031	197,422	-	197,422
-	-	-	2,342	-	2,342	1,079	-	1,079
-	-	-	389	-	389	183	-	183
-	-	-	2,731	-	2,731	1,262	-	1,262
22,527	-	22,527	12,817	-	12,817	9,024	-	9,024
24,189	-	24,189	27,269	-	27,269	11,493	-	11,493
5,942	-	5,942	836	-	836	726	-	726
30,131	-	30,131	28,105	-	28,105	12,219	-	12,219
788,729	13,357	802,086	666,576	985	667,561	487,620	11,900	499,520
(79,544)	90,246	10,702	67,001	6,655	73,656	(39,313)	211,438	172,125
12,283	-	12,283	3,448	-	3,448	3,665	-	3,665
-	-	-	-	-	-	-	-	-
166,412	-	166,412	79,263	-	79,263	57,769	-	57,769
967,424	13,357	980,781	749,287	985	750,272	549,054	11,900	560,954
160,477	-	160,477	-	-	-	-	-	-
-	-	-	(169,821)	-	(169,821)	-	-	-
160,477	-	160,477	(169,821)	-	(169,821)	-	-	-
\$ (97,762)	\$ 90,246	\$ (7,516)	\$ (185,531)	\$ 6,655	\$ (178,876)	\$ (100,747)	\$ 211,438	\$ 110,691

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

FINANCIAL DATA SCHEDULE - COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET POSITION - LOW RENT PUBLIC HOUSING DETAIL  
YEAR ENDED SEPTEMBER 30, 2014

	AMP 6 OR006000600			Total	Total	Total
	Low Rent	Capital Fund	Total	Low Rent	Capital Fund	
70300 Net Tenant Rental Revenue	\$ 204,979	\$ -	\$ 204,979	\$1,772,081	\$ -	\$1,772,081
70400 Tenant Revenue - Other	1,874	-	1,874	13,010	-	13,010
70500 Total Tenant Revenue	206,853	-	206,853	1,785,091	-	1,785,091
70600 HUD PHA Operating Grants	206,521	56,685	263,206	1,718,702	262,372	1,981,074
70610 Capital Grants	-	404,358	404,358	-	908,733	908,733
71100 Investment Income - Unrestricted	164	-	164	1,341	-	1,341
71500 Other Revenue	8,908	-	8,908	109,322	-	109,322
70000 Total Revenue	422,446	461,043	883,489	3,614,456	1,171,105	4,785,561
91100 Administrative Salaries	55,462	-	55,462	423,179	-	423,179
91200 Auditing Fees	659	863	1,522	8,881	1,999	10,880
91300 Management Fee	54,191	40,158	94,349	411,711	93,045	504,756
91310 Book-keeping Fee	8,085	-	8,085	61,426	-	61,426
91400 Advertising and Marketing	59	-	59	380	-	380
91500 Employee Benefit contributions - Administrative	30,050	-	30,050	259,701	-	259,701
91600 Office Expenses	9,922	-	9,922	51,469	-	51,469
91700 Legal Expense	5	-	5	2,373	-	2,373
91800 Travel	753	-	753	4,835	-	4,835
91900 Other	7,075	15,663	22,738	87,160	36,291	123,451
91000 Total Operating - Administrative	166,261	56,684	222,945	1,311,115	131,335	1,442,450
92000 Asset Management Fee	11,160	-	11,160	84,540	-	84,540
92100 Tenant Services - Salaries	4,866	-	4,866	39,154	-	39,154
92300 Employee Benefit Contributions - Tenant Services	1,793	-	1,793	14,066	-	14,066
92400 Tenant Services - Other	1,674	-	1,674	11,480	-	11,480
92500 Total Tenant Services	8,333	-	8,333	64,700	-	64,700
93100 Water	20,607	-	20,607	128,535	-	128,535
93200 Electricity	20,270	-	20,270	111,234	-	111,234
93300 Gas	1,173	-	1,173	63,200	-	63,200
93600 Sewer	24,984	-	24,984	210,846	-	210,846
93000 Total Utilities	67,034	-	67,034	513,815	-	513,815
94100 Ordinary Maintenance and Operations - Labor	50,591	-	50,591	392,811	-	392,811
94200 Ordinary Maintenance and Operations - Materials and	22,759	-	22,759	135,557	-	135,557
94300 Ordinary Maintenance and Operations Contracts	77,986	-	77,986	727,876	-	727,876
94500 Employee Benefit Contributions - Ordinary Maintenance	38,191	-	38,191	292,045	-	292,045
94000 Total Maintenance	189,527	-	189,527	1,548,289	-	1,548,289
95100 Protective Services - Labor	2,602	-	2,602	15,880	-	15,880
95500 Employee Benefit Contributions - Protective Services	434	-	434	2,634	-	2,634
95000 Total Protective Services	3,036	-	3,036	18,514	-	18,514
96110 Property Insurance	10,187	-	10,187	78,536	-	78,536
96300 Payments in Lieu of Taxes	13,226	-	13,226	124,396	-	124,396
96400 Bad debt - Tenant Rents	2,011	-	2,011	14,094	-	14,094
96000 Total Other General Expenses	15,237	-	15,237	138,490	-	138,490
96900 Total Operating Expenses	470,775	56,684	527,459	3,757,999	131,335	3,889,334
97000 Excess of Operating Revenue over Operating Expenses	(48,329)	404,359	356,030	(143,543)	1,039,770	896,227
97100 Extraordinary Maintenance	3,900	-	3,900	63,365	-	63,365
97200 Casualty Losses - Non-capitalized	-	-	-	5,584	-	5,584
97400 Depreciation Expense	121,771	-	121,771	647,030	-	647,030
90000 Total Expenses	596,446	56,684	653,130	4,473,978	131,335	4,605,313
10091 Inter Project Excess Cash Transfer In	9,344	-	9,344	169,821	-	169,821
10092 Inter Project Excess Cash Transfer Out	-	-	-	(169,821)	-	(169,821)
10100 Total Other financing Sources (Uses)	9,344	-	9,344	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (164,656)	\$ 404,359	\$ 239,703	\$ (859,522)	\$ 1,039,770	\$ 180,248

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**FINANCIAL DATA SCHEDULE - DETAIL FOR RURAL RENTAL ASSISTANCE PAYMENTS PROGRAM  
SEPTEMBER 30, 2014**

	Camas	Norseman Village Apartments	Total
111 Cash - Unrestricted	\$ 27,332	\$ 60,977	\$ 88,309
113 Cash - Other Restricted	58,077	182,679	240,756
114 Cash - Tenant Security Deposits	12,754	16,859	29,613
100 Total Cash	<u>98,163</u>	<u>260,515</u>	<u>358,678</u>
125 Accounts Receivable - Miscellaneous	963	83	1,046
126 Accounts Receivable - Tenants	8,668	104	8,772
120 Total Receivables, Net of Allowances for Doubtful Accounts	<u>9,631</u>	<u>187</u>	<u>9,818</u>
142 Prepaid Expenses and Other Assets	4,211	4,576	8,787
150 Total Current Assets	<u>112,005</u>	<u>265,278</u>	<u>377,283</u>
161 Land	371,677	98,729	470,406
162 Buildings	945,242	3,989,216	4,934,458
166 Accumulated Depreciation	<u>(272,877)</u>	<u>(300,313)</u>	<u>(573,190)</u>
160 Total Capital Assets, Net of Accumulated Depreciation	<u>1,044,042</u>	<u>3,787,632</u>	<u>4,831,674</u>
290 Total Assets and Deferred Outflow of Resources	<u><u>\$ 1,156,048</u></u>	<u><u>\$ 4,052,910</u></u>	<u><u>\$ 5,208,957</u></u>
312 Accounts Payable <= 90 Days	\$ 16,791	\$ 4,299	\$ 21,090
325 Accrued Interest Payable	713	-	713
341 Tenant Security Deposits	12,522	16,345	28,866
342 Unearned Revenue	381	2	382
343 Current Portion of Long-term Debt - Capital Projects/Mortgage	10,835	59,565	70,400
347 Inter Program - Due To	-	211,869	211,869
310 Total Current Liabilities	<u>41,241</u>	<u>292,079</u>	<u>333,320</u>
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	<u>446,031</u>	<u>1,743,086</u>	<u>2,189,117</u>
300 Total Liabilities	<u>487,272</u>	<u>2,035,165</u>	<u>2,522,437</u>
508.4 Net Investment in Capital Assets	587,176	1,984,981	2,572,157
511.4 Restricted Net Position	58,310	183,193	241,503
512.4 Unrestricted Net Position	<u>23,290</u>	<u>(150,429)</u>	<u>(127,140)</u>
513 Total Equity - Net Assets / Position	<u>668,775</u>	<u>2,017,745</u>	<u>2,686,520</u>
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	<u><u>\$ 1,156,048</u></u>	<u><u>\$ 4,052,910</u></u>	<u><u>\$ 5,208,957</u></u>

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**FINANCIAL DATA SCHEDULE - DETAIL FOR RURAL RENTAL ASSISTANCE PAYMENTS PROGRAM  
SEPTEMBER 30, 2014**

	Camas	Norseman Village Apartments	Total
70300 Net Tenant Rental Revenue	\$ 118,774	\$ 116,718	\$ 235,492
70800 Other Government Grants	86,019	351,877	437,896
71500 Other Revenue	7,279	5,027	12,306
72000 Investment Income - Restricted	16	49	65
70000 Total Revenue	<u>212,088</u>	<u>473,671</u>	<u>685,759</u>
91100 Administrative Salaries	20,931	45,841	66,772
91200 Auditing Fees	1,105	1,130	2,235
91300 Management Fee	19,592	23,928	43,520
91400 Advertising and Marketing	739	(0)	739
91500 Employee Benefit contributions - Administrative	6,061	9,509	15,570
91600 Office Expenses	7,303	7,475	14,778
91700 Legal Expense	893	(0)	893
91800 Travel	246	561	807
91900 Other	2,892	4,657	7,549
91000 Total Operating - Administrative	<u>59,762</u>	<u>93,101</u>	<u>152,863</u>
93100 Water	10,204	5,204	15,408
93200 Electricity	5,908	3,409	9,317
93300 Gas	-	557	557
93600 Sewer	16,077	8,431	24,508
93000 Total Utilities	<u>32,190</u>	<u>17,600</u>	<u>49,790</u>
94100 Ordinary Maintenance and Operations - Labor	28,882	21,301	50,183
94200 Ordinary Maintenance and Operations - Materials & Other	29,986	9,636	39,622
94300 Ordinary Maintenance and Operations Contracts	41,796	14,288	56,084
94500 Employee Benefit Contributions - Ordinary Maintenance	7,746	5,588	13,334
94000 Total Maintenance	<u>108,410</u>	<u>50,813</u>	<u>159,223</u>
96110 Property Insurance	3,601	3,848	7,449
96400 Bad debt - Tenant Rents	844	0	844
96710 Interest of Mortgage (or Bonds) Payable	8,881	53,234	62,115
96900 Total Operating Expenses	<u>213,688</u>	<u>218,596</u>	<u>432,284</u>
97000 Excess of Operating Revenue over Operating Expenses	(1,601)	255,076	253,475
97400 Depreciation Expense	21,132	97,562	118,694
90000 Total Expenses	<u>234,821</u>	<u>316,157</u>	<u>550,978</u>
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	<u>\$ (22,733)</u>	<u>\$ 157,514</u>	<u>\$ 134,781</u>

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**FINANCIAL DATA SCHEDULE - DETAIL FOR INTEREST REDUCTION PAYMENTS PROGRAM  
SEPTEMBER 30, 2014**

	<u>Village Oaks</u>	<u>14 Pines</u>	<u>Total</u>
113 Cash - Other Restricted	\$ 236,013	\$ 354,103	\$ 590,116
114 Cash - Tenant Security Deposits	<u>27,698</u>	<u>12,564</u>	<u>40,262</u>
100 Total Cash	<u>263,711</u>	<u>366,667</u>	<u>630,378</u>
126 Accounts Receivable - Tenants	<u>2,903</u>	<u>2,960</u>	<u>5,863</u>
142 Prepaid Expenses and Other Assets	-	3,368	3,368
143 Inventories	<u>7,906</u>	<u>5,188</u>	<u>13,094</u>
150 Total Current Assets	<u>274,520</u>	<u>378,183</u>	<u>652,703</u>
161 Land	593,299	770,248	1,363,547
162 Buildings	2,208,963	3,219,796	5,428,759
164 Furniture, Equipment & Machinery - Administration	19,580	13,433	33,013
166 Accumulated Depreciation	<u>(859,832)</u>	<u>(1,186,344)</u>	<u>(2,046,176)</u>
160 Total Capital Assets, Net of Accumulated Depreciation	<u>1,962,009</u>	<u>2,817,134</u>	<u>4,779,143</u>
290 Total Assets and Deferred Outflow of Resources	<u>\$ 2,236,529</u>	<u>\$ 3,195,317</u>	<u>\$ 5,431,846</u>
312 Accounts Payable <= 90 Days	\$ 17,031	\$ 18,561	\$ 35,592
321 Accrued Wage/Payroll Taxes Payable	1,846	1,767	3,612
341 Tenant Security Deposits	27,698	12,564	40,262
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	31,620	31,620
347 Inter Program - Due To	<u>105,524</u>	<u>174,791</u>	<u>280,316</u>
310 Total Current Liabilities	<u>152,099</u>	<u>239,303</u>	<u>391,402</u>
508.4 Net Investment in Capital Assets	1,962,009	2,785,514	4,747,523
511.4 Restricted Net Position	236,013	354,103	590,116
512.4 Unrestricted Net Position	(113,592)	(183,603)	(297,195)
513 Total Equity - Net Assets / Position	<u>2,084,430</u>	<u>2,956,014</u>	<u>5,040,444</u>
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	<u>\$ 2,236,529</u>	<u>\$ 3,195,317</u>	<u>\$ 5,431,846</u>

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**FINANCIAL DATA SCHEDULE - DETAIL FOR INTEREST REDUCTION PAYMENTS PROGRAM  
SEPTEMBER 30, 2014**

	<u>Village Oaks</u>	<u>14 Pines</u>	<u>Total</u>
70300 Net Tenant Rental Revenue	\$ 313,669	\$ 149,406	\$ 463,075
70400 Tenant Revenue - Other	7,548	4,322	11,870
70500 Total Tenant Revenue	<u>321,217</u>	<u>153,728</u>	<u>474,945</u>
70600 HUD PHA Operating Grants	76,942	282,295	359,237
71500 Other Revenue	15,818	11,241	27,058
72000 Investment Income - Restricted	218	182	400
70000 Total Revenue	<u>414,194</u>	<u>447,446</u>	<u>861,640</u>
91100 Administrative Salaries	52,472	68,749	121,221
91200 Auditing Fees	1,105	1,338	2,443
91300 Management Fee	41,653	38,408	80,061
91400 Advertising and Marketing	341	316	657
91500 Employee Benefit contributions - Administrative	51,309	59,556	110,865
91600 Office Expenses	22,553	14,021	36,574
91700 Legal Expense	845	1,029	1,874
91800 Travel	125	120	245
91900 Other	999	1,000	1,999
91000 Total Operating - Administrative	<u>171,402</u>	<u>184,537</u>	<u>355,939</u>
93100 Water	14,382	12,363	26,745
93200 Electricity	9,629	9,320	18,950
93300 Gas	11,264	1,185	12,448
93600 Sewer	17,489	15,579	33,068
93000 Total Utilities	<u>52,764</u>	<u>38,447</u>	<u>91,211</u>
94100 Ordinary Maintenance and Operations - Labor	43,211	52,331	95,542
94200 Ordinary Maintenance and Operations - Materials and Other	27,843	26,186	54,029
94300 Ordinary Maintenance and Operations Contracts	76,713	126,979	203,692
94500 Employee Benefit Contributions - Ordinary Maintenance	6,607	11,979	18,586
94000 Total Maintenance	<u>154,374</u>	<u>217,475</u>	<u>371,849</u>
95200 Protective Services - Other Contract Costs	2,331	-	2,331
95500 Employee Benefit Contributions - Protective Services	360	-	360
95000 Total Protective Services	<u>2,691</u>	<u>-</u>	<u>2,691</u>
96110 Property Insurance	7,609	7,348	14,957
96400 Bad debt - Tenant Rents	2,953	666	3,618
96710 Interest of Mortgage (or Bonds) Payable	-	1,849	1,849
96900 Total Operating Expenses	<u>391,792</u>	<u>450,322</u>	<u>842,114</u>
97000 Excess of Operating Revenue over Operating Expenses	<u>22,402</u>	<u>(2,876)</u>	<u>19,526</u>
97100 Extraordinary Maintenance	4,640	400	5,040
97400 Depreciation Expense	50,303	73,060	123,362
90000 Total Expenses	<u>446,735</u>	<u>523,782</u>	<u>970,516</u>
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	<u>\$ (32,540)</u>	<u>\$ (76,336)</u>	<u>\$ (108,876)</u>

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**FINANCIAL DATA SCHEDULE - DETAIL FOR BUSINESS ACTIVITIES  
SEPTEMBER 30, 2014**

	Community Services					Totals	
	Agency	Firwood	Richardson Bridge	Heeran Center	Signpost		
111	Cash - Unrestricted	\$ 550	\$ 50	\$ 109,025	\$ -	\$ -	\$ 109,625
113	Cash - Other Restricted	-	204,443	35,983	110,608	-	351,033
114	Cash - Tenant Security Deposits	-	31,315	17,699	-	1,010	50,024
100	Total Cash	550	235,808	162,707	110,608	1,010	510,682
124	Accounts Receivable - Other Government	128,342	-	-	-	-	128,342
125	Accounts Receivable - Miscellaneous	904,661	-	-	-	7,221	911,882
126	Accounts Receivable - Tenants	-	1,588	2,530	4,000	-	8,118
129	Accrued Interest Receivable	1,257,564	-	-	-	-	1,257,564
120	Total Receivables, Net of Allowances for Doubtful Accounts	2,290,567	1,588	2,530	4,000	7,221	2,305,906
131	Investments - Unrestricted	857,842	-	-	-	-	857,842
142	Prepaid Expenses and Other Assets	9,133	13,019	4,204	61	940	27,357
143	Inventories	-	1,993	-	-	-	1,993
144	Inter Program Due From	1,767,101	-	1,550	-	-	1,768,651
150	Total Current Assets	4,925,192	252,408	170,991	114,669	9,171	5,472,431
161	Land	1,624,832	-	79,020	403,815	195,358	2,303,025
162	Buildings	426,936	2,848,353	949,944	2,212,833	583,254	7,021,320
163	Furniture, Equipment & Machinery - Dwellings	-	8,032	-	73,011	-	81,043
164	Furniture, Equipment & Machinery - Administration	722,581	-	-	-	-	722,581
166	Accumulated Depreciation	(902,890)	(1,095,631)	(408,868)	(557,705)	(186,281)	(3,151,375)
160	Total Capital Assets, Net of Accumulated Depreciation	1,871,459	1,760,754	620,096	2,131,954	592,331	6,976,594
171	Notes, Loans and Mortgages Receivable - Non-Current	4,783,420	-	-	-	-	4,783,420
174	Other Assets	221,041	-	-	-	-	221,041
176	Investments in Joint Ventures	1,319,730	-	-	-	-	1,319,730
180	Total Non-Current Assets	8,195,650	1,760,754	620,096	2,131,954	592,331	13,300,785
290	Total Assets and Deferred Outflow of Resources	\$ 13,120,843	\$ 2,013,162	\$ 791,087	\$ 2,246,623	\$ 601,502	\$ 18,773,216

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

FINANCIAL DATA SCHEDULE - DETAIL FOR BUSINESS ACTIVITIES  
SEPTEMBER 30, 2014

	Community Services Agency	Firwood	Richardson Bridge	Heeran Center	Signpost	Totals
312	Accounts Payable <= 90 Days	\$ 4,009	\$ 6,179	\$ 1,014	\$ 4,138	\$ 44,943
321	Accrued Wage/Payroll Taxes Payable	1,019	-	-	-	279
322	Accrued Compensated Absences - Current Portion	-	-	-	-	85,830
325	Accrued Interest Payable	13,914	-	1,150	-	15,064
341	Tenant Security Deposits	34,585	17,699	-	1,010	53,294
342	Unearned Revenue	-	53	-	-	1,403
343	Current Portion of Long-term Debt - Capital	87,135	-	80,913	9,265	190,143
345	Other Current Liabilities	858	-	-	-	858
347	Inter Program - Due To	103,015	508	(367,256)	(178,163)	720,991
310	Total Current Liabilities	243,677	24,439	(284,179)	(163,750)	1,112,805
351	Long-term Debt, Net of Current - Capital	907,712	-	1,560,475	31,897	2,913,457
300	Total Liabilities	1,151,389	24,439	1,276,296	(131,853)	4,026,262
508.4	Net Investment in Capital Assets	765,907	620,096	490,566	551,169	3,872,994
511.4	Restricted Net Position	201,173	35,983	110,608	-	347,763
512.4	Unrestricted Net Position	(105,306)	110,570	369,153	182,186	10,526,197
513	Total Equity - Net Assets / Position	861,773	766,648	970,327	733,355	14,746,954
600	Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ 2,013,162	\$ 791,087	\$ 2,246,623	\$ 601,502	\$ 18,773,216

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**FINANCIAL DATA SCHEDULE - DETAIL FOR BUSINESS ACTIVITIES  
SEPTEMBER 30, 2014**

	Community Services					Totals
	Agency	Firwood	Richardson Bridge	Heeran Center	Signpost	
70300 Net Tenant Rental Revenue	\$ -	\$ 486,460	\$ 202,969	\$ 177,846	\$ 85,099	\$ 952,374
70800 Other Government Grants	661,760	-	-	33,094	-	694,854
71100 Investment Income - Unrestricted	293,431	-	8	-	-	293,439
71200 Mortgage Interest Income	1,454	-	-	-	-	1,454
71500 Other Revenue	385,319	9,066	2,215	2,608	7,053	406,261
72000 Investment Income - Restricted	-	17	-	131	12	160
70000 Total Revenue	1,341,964	495,543	205,192	213,679	92,164	2,348,542
91100 Administrative Salaries	176,929	51,495	12,432	8,222	2,663	251,741
91200 Auditing Fees	2,373	-	-	-	-	2,373
91300 Management Fee	-	-	13,718	-	12,996	26,714
91400 Advertising and Marketing	78	11	-	-	-	89
91500 Employee Benefit contributions - Administrative	80,895	26,995	2,414	4,147	1,594	116,045
91600 Office Expenses	21,061	6,316	6,505	700	85	34,667
91700 Legal Expense	(237)	567	388	-	-	718
91800 Travel	5,268	150	201	4	0	5,623
91900 Other	48,197	6,148	2,460	190	1	56,996
91000 Total Operating - Administrative	334,564	91,682	38,118	13,263	17,339	494,966
92400 Tenant Services - Other	-	20	-	-	-	20
93100 Water	-	11,862	8,312	-	1,876	22,050
93200 Electricity	-	10,350	4,030	-	2,398	16,778
93300 Gas	-	-	-	-	234	234
93600 Sewer	-	18,934	12,036	-	2,816	33,786
93000 Total Utilities	-	41,146	24,378	-	7,324	72,848

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

FINANCIAL DATA SCHEDULE - DETAIL FOR BUSINESS ACTIVITIES  
SEPTEMBER 30, 2014

	Community Services Agency	Firwood	Richardson Bridge	Heeran Center	Sigpost	Totals
94100 Ordinary Maintenance and Operations - Labor	\$ 31,770	\$ 38,771	\$ 21,464	\$ 5,387	\$ 7,059	\$ 104,451
94200 Ordinary Maintenance and Operations - Materials and Other	202,960	19,308	30,075	6,069	11,926	270,338
94300 Ordinary Maintenance and Operations Contracts	139,743	50,711	21,366	35,185	6,234	253,239
94500 Employee Benefit Contributions - Ordinary Maintenance	14,033	27,306	4,854	3,179	-	49,372
94000 Total Maintenance	388,506	136,096	77,759	49,820	25,219	677,400
96110 Property Insurance	-	8,999	3,460	2,752	-	15,211
96140 All Other Insurance	5,043	-	-	-	1,121	6,164
96100 Total insurance Premiums	5,043	8,999	3,460	2,752	1,121	21,375
96200 Other General Expenses	191,549	46,382	-	-	-	237,931
96400 Bad debt - Tenant Rents	-	1,543	642	-	-	2,185
96000 Total Other General Expenses	191,549	47,925	642	-	-	240,116
96710 Interest of Mortgage (or Bonds) Payable	11,460	53,446	-	28,447	2,305	95,658
96900 Total Operating Expenses	931,122	379,314	144,357	94,282	53,308	1,602,383
97000 Excess of Operating Revenue over Operating Expenses	410,842	116,229	60,835	119,397	38,856	746,159
97100 Extraordinary Maintenance	5,082	1,950	-	3,200	4,428	14,660
97300 Housing Assistance Payments	10,004	-	-	-	-	10,004
97400 Depreciation Expense	14,005	64,088	71,741	53,089	14,581	217,504
90000 Total Expenses	960,213	445,352	216,098	150,571	72,317	1,844,551
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ 381,751	\$ 50,191	\$ (10,906)	\$ 63,108	\$ 19,847	\$ 503,991

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**SCHEDULE OF CAPITAL FUND PROGRAM  
YEAR ENDED SEPTEMBER 30, 2014**

1. The actual Modernization Costs on Modernization Project No. OR16P00650110 is as follows:

	<u>Funds Approved</u>	<u>Funds Expended</u>	<u>Excess of Funds Approved</u>	<u>Funds Advanced</u>	<u>Funds Expended</u>	<u>Excess of Funds Advanced</u>
Operations	\$ 208,750	\$ 208,750	\$ -	\$ 208,750	\$ 208,750	\$ -
Management improvemen	5,836	5,836	-	5,836	5,836	-
Administration	104,376	104,376	-	104,376	104,376	-
Audit	2,000	2,000	-	2,000	2,000	-
Fees and costs	75,486	75,486	-	75,486	75,486	-
Site improvements	57,198	57,198	-	57,198	57,198	-
Dwelling structures	513,341	513,341	-	513,341	513,341	-
Dwelling equipment	8,848	8,848	-	8,848	8,848	-
Non-dwelling structures	26,331	26,331	-	26,331	26,331	-
Demolition	41,496	41,496	-	41,496	41,496	-
Relocation costs	96	96	-	96	96	-
	<u>\$ 1,043,758</u>	<u>\$ 1,043,758</u>	<u>\$ -</u>	<u>\$ 1,043,758</u>	<u>\$ 1,043,758</u>	<u>\$ -</u>

2. All modernization work in conjunction with this Capital Fund Program has been completed.
3. All modernization costs or liabilities therefore incurred by the Housing Authority have been fully paid.
4. There are no undercharged mechanics, laborers, contractors or material-men's liens against such modernization work on file in any public office where the same should be filed in order to be valid against such modernization work.
5. The time in which such liens could be filed has expired.

**SINGLE AUDIT SECTION**

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS YEAR ENDED SEPTEMBER 30, 2014

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#### SECTION 2 - FINDINGS - FINANCIAL STATEMENT AUDIT

##### Finding No. 2013-01

###### Condition 1 – Bank Reconciliations

**Condition** - HACSA has procedures in place to reconcile bank statements to the general ledger on a monthly basis; however certain reconciling items that require adjustments to general ledger balances are not made on a timely basis. This results in reconciling items being carried forward from month to month.

**Recommendation** - Supervisory personnel should review and approve the monthly bank reconciliations. Reconciling items that require adjustment to general ledger balances should be adjusted in the period that the required adjustments are determined.

**Status** - HACSA has adopted written policies concerning the timing and approval of bank reconciliations as well as procedures for resolving reconciling items. All bank reconciliations are to be completed by the 20<sup>th</sup> of the following month by a staff member who does not write checks and reviewed before the end of the month by another staff member who does not write checks. Reconciling items will be investigated and adjusted as appropriate.

###### Condition 2 – Other Reconciliations

**Condition** - Certain general ledger balances were not reconciled to detail records or other supporting documents or periodically reviewed for propriety as follows:

- a. Certain grants receivable and deferred revenue account balances, particularly for the weatherization program, were not reconciled to detail records and assessed for collectability on a timely basis. This resulted in adjustments as of September 30, 2012 to eliminate grants receivable of \$151,049, deferred weatherization revenue of \$136,064, and other deferred revenue of \$58,711.
- b. A general ledger cash account with a balance of \$50,851 was not supported by an actual bank deposit account and there had been no general ledger activity in this account since 2005.
- c. Insurance claims receivable balances were not estimated or periodically assessed for collectability. This resulted in an adjustment of \$65,813 as of September 30, 2012 to write-off uncollectable insurance claims receivable.

**Recommendation** - Significant general ledger balances should be reconciled to detail records monthly and balances should be reviewed for proper accounting treatment as well as collectability.

###### **Status -**

- a. All of the amounts were adjusted as of September 30, 2012. In the future, all balance sheet accounts will be verified and reconciled to the general ledger balance at the end of each year.
- b. HACSA has adopted written policies concerning the timing and approval of bank reconciliations as well as procedures for resolving reconciling items. All general ledger cash accounts are being reconciled to supporting bank statements monthly.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS YEAR ENDED SEPTEMBER 30, 2014

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#### SECTION 2 - FINDINGS - FINANCIAL STATEMENT AUDIT

##### Finding No. 2013-01 - Continued

- c. As soon as an event occurs that will trigger an insurance claim, an account number will be created in the appropriate program and project, account 1130, with a new detail code. At the same time, it will be determined whether staff time can be charged to this claim. All other costs related to the repair will be charged to the new code. When insurance proceeds are received, the proceeds will be credited to this account and any unreimbursed costs, including deductible, will be expensed. All "1130" accounts will be reviewed with the risk manager at year-end.

##### Condition 3 – Recurring Journal Entries

**Condition** - HACSA sets up recurring journal entries to record transactions that occur each month. However the recurring journal entries are not reviewed periodically to determine their continued applicability and certain journal entries continued to be recorded each month even after the underlying transactions ceased.

**Recommendation** - Recurring journal entries should be reviewed periodically to determine their continued applicability.

**Status** - HACSA has adopted written policies regarding recurring journal entries. Each year, all recurring journal entries will be reviewed by the Finance Manager or designee. Required changes to recurring journal entries, if any, will be made at the time of the review.

##### Condition 4 – Transactions with Component Units

**Condition** - HACSA's investments in limited partnerships were financed in part through grants to HACSA for which the proceeds were then either loaned or contributed to capital of a limited partnership. The transactions were recorded in the accounting records of the limited partnerships but the transactions were not consistently recorded in the financial records of HACSA resulting in differences as follows:

- a. Grant proceeds that were loaned to Hawthorn-at-29<sup>th</sup> LLC were not recorded in the general ledger of HACSA requiring an adjustment of \$860,682 as of September 30, 2012.
- b. Grant proceeds to HACSA of \$646,827 were contributed to capital of Roosevelt Crossing Limited Partnership; however the grant proceeds and the related investment in limited partnership were not recorded in the financial records of HACSA.
- c. The investments in limited partnerships balance was recorded on the initial costs basis and was not reconcilable to the capital accounts of the limited partnerships. An adjustment of \$736,721 was made as of September 30, 2012 to reduce the investments in limited partnerships to agree with the amounts reflected in the accounting records of the limited partnerships. In addition, an adjustment of \$20,597 was made to convert the accounting for investments in limited partnerships to the equity method. This resulted in a further reduction in the investments in limited partnerships.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS YEAR ENDED SEPTEMBER 30, 2014

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#### SECTION 2 - FINDINGS - FINANCIAL STATEMENT AUDIT

##### Finding No. 2013-01 - Continued

**Recommendation** - Many of the significant transactions with the component units are initiated in the development phase and require thorough review of the legal documents to determine proper accounting treatment. These documents should be reviewed by the finance department in conjunction with personnel responsible for development to determine proper accounting. Transactions that are recorded by the component unit may also require recognition by HACSA.

**Status** - Each year the equity accounts for each component unit will be reconciled to the investment amount reported in HACSA's general ledger for each respective component unit. For component units in the development phase, the Finance Director will review the proper accounting for the component unit and determine that any transactions that effect HACSA's general ledger accounts are recorded in HACSA's general ledger at the time the transaction is originated.

##### Condition 5 – Chart of Accounts

**Condition** - The chart of accounts was originally designed to produce reliable financial information by program, however the chart of accounts has not been updated for changes in HACSA's operations and accurate account coding has not been enforced. As a result, the preparation of accurate and complete financial statements by program is a lengthy and difficult process. For example, Fund 03 is frequently being used for various programs when separate fund codes have not been set up in general ledger chart of accounts. This results in the financial information for various programs being accumulated in Fund 03 which then requires detailed analysis to sort out information by program.

**Recommendation** - The chart of accounts should be updated to reflect all programs that are being managed by HACSA. In addition, the importance of properly coding all transactions should be stressed to all personnel who initiate general ledger transactions.

**Status** - The chart of accounts will be updated as new transactions are originated. The proper FDS code will be assigned concurrent with any changes in the chart of accounts.

To facilitate accounting and reporting, effective October 1, 2014, separate funds have been established for the various programs that were being accumulated in Fund 03.

##### Condition 6 – REAC Submissions

**Condition** - HACSA is required to submit annual financial statements electronically to HUD through REAC. To facilitate the preparation of financial statements in the format required by HUD, each general ledger account should be assigned a proper FDS code. We noted several general ledger accounts that were coded incorrectly and some general ledger accounts that were not coded.

**Recommendation** - Each general ledger account should be assigned a proper FDS code and importance of entering the correct FDS code should be stressed to all personnel who initiate general ledger transactions.

**Status** - The chart of accounts has been updated to include the proper FDS code for each account.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2014**

---

**SECTION 2 - FINDINGS - FINANCIAL STATEMENT AUDIT**

**Finding No. 2013-01 - Continued**

**Condition 7 – Inter-Fund Balances**

**Condition** - Other than restricted deposits and a bank account for the housing choice voucher program, HACSA has one operating cash account within the central office costs center that is used to account for transactions in the various programs. Cash transactions in the various programs are recorded through inter-fund receivables and payables; however there are no procedures in place to reconcile the inter-fund receivable and payable balances on a monthly basis.

**Recommendation** - Inter-fund balances should be reconciled on a monthly basis and corrections, if any, should be recorded in the period they are determined.

**Status** - Inter-fund accounts are being reconciled monthly by the Finance Director or designee. Cash transfers to clear inter-fund balances due to the Housing Choice Vouchers or Public Housing programs are being made monthly. Other inter-fund balances will be cleared at least quarterly.

**Condition 8 – Weatherization Grants**

**Condition** - Other than bank statements that show the receipt of funds from Lane County, detail supporting records for the weatherization program were not available. The predecessor responsible for preparing draw requests is no longer with HACSA and current agency personnel were not able to retrieve the records created by their predecessor.

**Recommendation** - Procedures should be adopted to ensure that all detail records supporting general ledger transactions be maintained and that other agency personnel have access to such records in the event of employee turnover.

**Status** - Draw requests and other documentation supporting the receipt for weatherization grants will be retained for a period of at least three years.

**Condition 9 – Depreciation**

**Condition** - HACSA uses Excel spreadsheets to track capital assets and depreciation. Due to formula errors, certain additions to fixed assets were not being depreciated.

**Recommendation** - Depreciation computations should be reviewed by supervisory personnel, including the review of formulas that relate to changes from the prior year such as property additions, retirements or assets that may have become fully depreciated.

**Status** - Accounting policies have been updated to require that a second staff member review the depreciation schedules for accuracy including comparing totals to the respective general ledger account.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS YEAR ENDED SEPTEMBER 30, 2014

---

#### SECTION 2 - FINDINGS - FINANCIAL STATEMENT AUDIT

##### Finding No. 2013-01 - Continued

##### Condition 10 – Development Costs

**Condition** - In connection with HACSA's development activities, certain transactions have been recorded on the cash basis that required adjustment to the accrual basis. This includes the recording of retainage payable on construction contracts and the recording of development fees earned by HACSA which should be recorded when earned rather than when payment is received.

**Recommendation** - Development costs should be recorded when the costs are incurred. This includes recording construction retainage that may not be payable until after construction is completed and development fees that are earned on the accrual basis as projects are completed.

**Status** - HACSA construction contracts, whether related to new development or the rehabilitation of existing projects, are tracked on a contract log. Payments to contractors are tracked on a contract payment log. At year-end, both logs will be reviewed so that amounts payable to contractors, including construction retainage can be recorded. Development fees earned will be determined at year-end based on coordination with HACSA's development director and review of the development services agreement. Development fees earned but not yet paid will be accrued.

##### Condition 11 – Long-Term Debt

**Condition** - There were several differences related to long-term debt that required adjustment including the following:

- a. Forgivable loans that are forgivable on a pro-rata basis over the term of the loan were not adjusted to recognize the portion forgiven each year.
- b. Certain loan balances at September 30, 2012 were not reconciled to the actual loan balance as reported by the lender and required adjustment as of September 30, 2012.
- c. Interest accruing on a construction loan was not recorded and required an adjustment of \$65,741 as of September 30, 2012 and additional adjustment of \$57,181 for the year ended September 30, 2013.
- d. HACSA received development grants of \$2,188,165 for the Norseman Village Apartments of which \$1,880,429 was received during the year ended September 30, 2013. The amount received by HACSA in the year ended September 30, 2013 was recorded as a long-term note payable. An adjustment was required to recognize grant income.

**Recommendation** - Loan documents should be reviewed at the time a loan is originated to determine the proper accounting treatment. A determination should be made as to whether the legal documents indicate a loan or a development grant that should be recognized as income. Income from forgivable loans should be recognized during the period that the loans are forgiven. This can be accomplished by establishing recurring journal entries to record income on loans that are forgivable on a pro-rata basis over the term of the loan. Periodically general ledger loan balances should be agreed or reconciled to monthly or annual statements received from the lender.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2014**

---

**SECTION 2 - FINDINGS - FINANCIAL STATEMENT AUDIT**

**Finding No. 2013-01 - Continued**

*Status* - Any time a loan is originated the loan documents shall be reviewed by the Finance director or designee so that the proper accounting treatment can be established. Care shall be taken to distinguish between a loan and a grant, with the term “soft loan” or “forgivable loan”, being used to describe any loan that is never going to be paid as long as a particular building is being used for its original purpose. Forgivable loans shall be set up on recurring journal entries so that the total amount of the loan is taken into income over the life of the loan. Loan balances shall be agreed to loan balances per the lender at least once a year during the final month of the fiscal year.

A long-term debt schedule shall be maintained by the finance department and used as an audit workpaper. The long term debt schedule shall be reviewed at least once a year and updated when necessary. The review process will include agreeing the amounts on the schedule with the general ledger and with the loan statements from the lending institution.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners  
Housing And Community Services Agency of Lane County  
Eugene, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Housing And Community Services Agency of Lane County ("HACSA"), a component unit of Lane County, Oregon and its discretely presented component units, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise HACSA's basic financial statements, and have issued our report thereon dated June 26, 2015. The financial statements of the discretely presented component units, except for Hawthorn-at-29<sup>th</sup> LLC, Munsel Park Limited Partnership, and Roosevelt Crossing Limited Partnership were not audited in accordance with Government Auditing Standards. This report does not include the results of the testing of internal control over financial reporting or compliance and other matters that are reported on separately for Hawthorn-at-29<sup>th</sup> LLC, Munsel Park Limited Partnership, and Roosevelt Crossing Limited Partnership

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered HACSA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of HACSA's internal control. Accordingly, we do not express an opinion on the effectiveness of HACSA's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether HACSA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bjorklund & Montclair*

Portland, Oregon  
June 26, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Commissioners  
Housing And Community Services Agency of Lane County  
Eugene, Oregon

**Report on Compliance for Each Major Federal Program**

We have audited Housing And Community Services Agency of Lane County ("HACSA")'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of HACSA's major federal programs for the year ended September 30, 2014. HACSA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of HACSA's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about HACSA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of HACSA's compliance.

***Opinion on Each Major Federal Program***

In our opinion, HACSA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.

## Report on Internal Control over Compliance

Management of HACSA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered HACSA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of HACSA's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Ryorklund & Montplaisir*

Portland, Oregon  
June 26, 2015

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED SEPTEMBER 30, 2014**

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Subgrant ID Number</u>	<u>2014 Expenditures</u>
<b>U.S. Department of Housing and Urban Development:</b>			
Direct Programs:			
Housing Choice Vouchers	* 14.871	N/A	\$ 16,535,745
Family Self Sufficiency Program	14.896	N/A	136,258
Public Housing	* 14.850	N/A	1,718,702
Public Housing Capital Fund Program	* 14.872	N/A	1,171,106
Shelter Plus Care	14.238	N/A	420,148
Resident Opportunity and Support Services - Service Coordinator	14.870	N/A	87,954
Supportive Housing Program - McKenzie Transitions	14.235	N/A	238,743
Low Income Housing Preservation and Resident Homeownership Act of 1990 - Capital Grant - Village Oaks	99.999	N/A	2,126,871
Interest Reduction Payments - Rental and Corporation Housing for Lower Income Families Village Oaks	14.103	N/A	76,942
Fourteen Pines	14.103	N/A	282,295
Passed through Oregon Housing and Community Services Dept. - Section 8 New Construction and Substantial Rehabilitation - Abbie Lane Apartments	14.182	N/A	208,714
Passed through City of Springfield - HOME Investment Partnership Program - Glenwood	14.239	888	74,145
Passed through state of Oregon: HOME Investment Partnership Program Camas Apartments	14.239	X001-265	634,318
Munsel Park		0000008	670,726
Passed through city of Eugene: HOME Investment Partnership Program	* 14.239		
Jacobs Lane		98-02018	451,600
Hawthorn-at-29th		2009-02052	700,000
Laurel Garden		96-02103	137,200
Sheldon Village I		2002-02009	284,195
Sheldon Village II		2002-02091	290,805
Turtle Creek		2006-02013	565,000
Walnut Park		9570643	515,000
Willakenzie			<u>225,000</u>
Total Department of Housing and Urban Development			<u>27,551,467</u>

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED SEPTEMBER 30, 2014**

Federal Grantor/Program Title	Federal CFDA Number	Subgrant ID Number	2014 Expenditures
<b>Under States Department of Agriculture</b>			
Direct Programs:			
Rural Rental Housing Loan - Camas Apartments	* 10.415	N/A	\$ 446,032
Rural Rental Housing Loan - Norsemen Village	* 10.415	N/A	1,813,485
Rural Rental Assistance Payments - Camas Apartments	* 10.427	N/A	109,006
Rural Rental Assistance Payments - Norsemen Village	* 10.427	N/A	<u>212,724</u>
Total Department of Agriculture			<u>2,581,247</u>
<b>U.S. Department of Energy</b>			
Passed through Lane County, Oregon:			
Weatherization Assistance for Low Income Persons	81.042	25765	159,029
Bonneville Power Administration	81.042	25765	<u>400,246</u>
Total Department of Energy			<u>559,275</u>
<b>U.S. Department of Health and Human Services</b>			
Passed through Lane County, Oregon -			
Low Income Home Energy Assistance Program	93.568	25765	<u>406,144</u>
Total Department of Health and Human Services			<u>406,144</u>
Total expenditures of federal awards			<u><u>\$ 31,098,133</u></u>

\* Denotes Major Program

See accompanying notes to Schedule of Expenditures of Federal Awards.

## HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED SEPTEMBER 30, 2014

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#### **Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Housing And Community Services Agency of Lane County ("HACSA"), a component unit of Lane County, Oregon, under programs of the federal government for the year ended September 30, 2014. The information in this schedule is presented in accordance with the requirements of Office of management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* . Because the schedule presents only a selected portion of the operations of HACSA, it is not intended to and does not represent the statement of net position, statement of revenues, expenses and changes in net position or statement of cash flows of HACSA.

#### **Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* , wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **Note 3. HUD Interpretations**

In accordance with Real Estate Assessment Center's Interpretation of federal awards expended as defined by OMB Circular A-133 Sections .205(a)-(d), Housing Choice Vouchers and Public and Indian Housing Programs federal awards expended equals the subsidy for HACSA's fiscal period under audit.

**HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED SEPTEMBER 30, 2014**

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**SECTION 1 - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<u>      </u> Yes	<u>  X  </u> No
Noncompliance material to financial statements noted?	<u>      </u> Yes	<u>  X  </u> No

**Federal Awards**

Internal control over major programs:		
• Material weakness(es) identified?	<u>      </u> Yes	<u>  X  </u> No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	<u>      </u> Yes	<u>  X  </u> No
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	<u>      </u> Yes	<u>  X  </u> No

**Identification of Major Programs**

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number(s)</u>	
Housing Choice Vouchers	14.871	
Public Housing	14.850	
Public Housing Capital Fund Program	14.872	
HOME Investment Partnership Program	14.239	
Rural Rental Housing Loan	10.415	
Rural Rental Assistance Payments	10.427	
Dollar threshold used to distinguish between Type A and Type B programs	<u>\$664,913</u>	
Auditee qualified as low-risk auditee?	<u>      </u> Yes	<u>  X  </u> No

**SECTION 2 - FINDINGS - FINANCIAL STATEMENT AUDIT**

None

**SECTION 3 - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM**

None

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *OREGON MINIMUM AUDIT STANDARDS***

Board of Commissioners  
Housing And Community Services Agency of Lane County  
Eugene, Oregon

We have audited the basic financial statements of the Housing And Community Services Agency of Lane County ("HACSA"), a component unit of Lane County, Oregon and its discretely presented component units, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise HACSA's basic financial statements, and have issued our report thereon dated June 26, 2015. Our report includes an emphasis of a matter paragraph indicating that HACSA adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 65.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, and the Minimum Standards for Audits of Oregon Municipal Corporations. The financial statements of the discretely presented component units, except for Hawthorn-at-29<sup>th</sup> LLC, Munsel Park Limited Partnership, and Roosevelt Crossing Limited Partnership were not audited in accordance with Government Auditing Standards. This report does not include the results of testing of internal control over financial reporting or compliance and other matters that are reported on separately for Hawthorn-at-29<sup>th</sup> LLC, Munsel Park Limited Partnership, and Roosevelt Crossing Limited Partnership.

**Compliance**

As part of obtaining reasonable assurance about whether HACSA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules (OAR) 162-10-000 to 162-10-330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions were not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Deposits of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayments.
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds. (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, and 279C).

In connection with our testing, nothing came to our attention that caused us to believe HACSA was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant, including the provisions of Oregon Revised Statutes as specified in OAR 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

### **Internal Control over Financial Reporting**

Management of HACSA is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered HACSA's internal control over financial reporting to determine the auditing procedures for the purpose of expressing our opinion on financial reporting, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of HACSA's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over financial reporting. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Purpose of this Report**

This report is intended solely for the information and use of the Board of Commissioners, management of HACSA, and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these specified parties.



Ronald Montplaisir, Partner  
For Bjorklund & Montplaisir  
Portland, Oregon  
June 26, 2015

**Element 12.**

**Asset Management**



## Asset Management Statement

April 1, 2016

Given the conversion to asset management, there is more involvement with Property Managers and other staff responsible for the financial and physical well-being of each AMP. The modernization and rehabilitation team coordinate with AMP staff (including maintenance) to insure that the physical well-being of each AMP is maintained. The Agency's Capital Needs Assessments (CNA) will guide the modernization and rehabilitation of the properties for at least the next ten years.

HACSA has converted its Monthly Operating Budgets and Performance Indicators report to a standardized format. The conversion to HACSA's Asset Management model has been completed with Property Managers all functioning as supervisors, responsible for specific AMPs and maintenance teams.

HACSA owns 92 scattered site units in Eugene and 20 scattered site units in Springfield. Of the 112, 34 units are duplexes, and the remaining are single family homes. All 112 units were purchased in the 1980s with HUD public housing development funds. These scattered site units are inefficient to maintain and the capital needs continue to grow. HACSA submitted a Rental Assistance Demonstration (RAD) application in November of 2013 to sell these 112 scattered site units and convert the subsidy to Project Based Rental Assistance (PBRA) or Project Based Voucher (PBV) units in upcoming developments. HACSA received a Portfolio Award and CHAP Award (Commitment to Enter into a Housing Assistance Payments) in March of 2015 from HUD for approval to sell these 112 scattered site units.

HACSA intends to submit a multi-phase award that will amend the CHAP to convert the 112 scattered sites in phases. HACSA is deeply committed to relocating the residents of these units in a very thoughtful and comprehensive manner; HACSA will reinvest the sales proceeds in the preservation of old affordable housing units as well as the development and of new affordable housing units.

**Element 13.**

**Violence Against Women Act (VAWA)**

The reference materials for Element 13 can be found in the following documents:

**13. Violence Against Women Act (VAWA)**

<b>Program</b>	<b>Policy</b>	<b>Document</b>	<b>Location</b>
Public Housing	VAWA	ACOP	Chapter 16, Part 7
HCVF	VAWA	Sec 8 Admin Plan	Chapter 12-II.E

## **Goals and Objectives for the Violence Against Women Act (VAWA) of 2013**

The VAWA act of 2013 provided special protections for victims of domestic violence, dating violence, sexual assault and stalking who are applying for or receiving assistance under the public housing program.

HACSA has adopted Nan McKay Admissions and Continued Occupancy template. Please refer to Part VII: Violence Against Women Act (VAWA): Notification, Documentation, and Confidentiality, pages 16-26. Our main objective is to maintain compliance with all applicable legal requirements of VAWA. In order to assure such compliance, training of appropriate staff managing HACSA housing developments regarding this policy is imperative. HACSA will seek to respond in accordance with this policy to reported incidents of domestic violence, dating violence, sexual assault, or stalking, including but not limited to providing housing opportunities for victims of domestic violence, dating violence, sexual assault, or stalking.



# HACSA

Housing And Community Services Agency of Lane County  
300 West Fairview Drive, Springfield, OR 97477-2909



EQUAL HOUSING  
OPPORTUNITY

(541) 682-4090 | Fax (541) 682-3875 | [www.hacsa.org](http://www.hacsa.org)

## HACSA Property Management Division Admissions and Continued Occupancy Policy (Previously referred to as the Statement of Policies)

Effective October 1, 2016

Revision Date	

Approved by the PHA Board of Commissioners:

Submitted to HUD:

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### **Glossary**

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## Introduction

### ABOUT THE MODEL ACOP

#### HOW TO USE THE MODEL ACOP

The model ACOP includes recommended language for each area in which the PHA has discretion or flexibility to adopt its own policies. To make the editing process easier, the model ACOP contains only **one version** of each policy – generally HUD’s safe harbor policy or the policy that seems to be common to most PHAs. *This means that if the model policy language works for your PHA, no cutting and pasting is required.*

HUD regulations and other requirements are described in detail in the model ACOP with appropriate citations. They are also summarized in the policy guide as needed to assist in making decisions.

#### The Policy Guide and Instructions

The policy guide is a decision-making tool for PHA policy makers. You can use the guide as a checklist for evaluating your compliance with HUD requirements and for making decisions about local policies. PHA decision points are identified throughout this document with this symbol:



The policy guide provides recommended language and policy options and explains why the recommended language is used in the model ACOP.

- If you decide to adopt an alternative policy, you may edit or delete the NMA-provided language in the model ACOP, cut and paste another option from the policy guide, or develop and type in your own wording.

Before starting work on the revision, print out the Acrobat PDF files of the model ACOP pages and policy guide for each chapter. Read through the model policy and review the decision points in the policy guide to determine if you want to make any changes to the model ACOP. After you have edited the model ACOP, print out the revised chapter to update your hard copy and, and edit the table of contents (TOC) file if necessary to update the TOC for your ACOP.

#### Working with the Computer Files

On your hard drive or network drive, set up a *subdirectory* (such as ACOPrev) for the ACOP revision in your ACOP or other directory in which you keep your documents. Copy the files for the policy document and the guide chapters from the CD-ROM into that directory and use them as your working files. Store your CD-ROM in a safe place.

## **ABOUT THE MODEL ACOP AND THE PUBLIC HOUSING LEASE**

PHA policy must be consistent with the public housing lease and any policy documents provided to tenants, and the lease and policy documents must comply with federal and state law.

The model ACOP contains policies that reflect the terms of your public housing lease. Policies on a particular topic may be included in the public housing lease, or may be a separate document incorporated in the lease by reference, such as a pet policy or transfer policy.

Because of variations in state and local landlord-tenant law, and because HUD affords PHAs wide discretion in some areas, a broad range of policies could be acceptable. Only a few of these compliant policies can be listed in the model ACOP.

If you are assured that your current board-approved public housing lease or separate policy document is up-to-date and is compliant with HUD requirements and with federal, state, and local laws, then it is neither necessary nor advisable to revise the terms of your lease or policy document to match default policies in the model ACOP. Instead, you should edit the model ACOP to match the terms of your existing public housing lease.

## **REFERENCES CITED IN THE MODEL ACOP**

Authority for PHA policies is derived from many sources. Primary among these sources are regulations and guidance issued by HUD. State law also directs PHA policy. State law must be followed where such law exists and does not conflict with federal regulations. In the absence of legal requirements or HUD guidance, industry practice may lead to PHA policy. Finally, the public housing lease will affect PHA policy and therefore must be consistent with federal and state laws and regulations.

## **HUD**

HUD provides the primary source of PHA policy through federal regulations, HUD Notices and handbooks. Compliance with federal regulations, current HUD Notices and HUD handbooks is mandatory.

HUD provides nonmandatory guidance to PHAs through HUD published guidebooks. Expired HUD Notices and handbooks also provide guidance for PHA policy. Following HUD guidance is optional, as long as PHA policies comply with federal law, federal regulations and mandatory policy. Because HUD has already determined that the guidance it provides is consistent with mandatory policies, PHA reliance on HUD guidance provides the PHA with a “safe harbor.”

Content contained on the HUD website can provide further clarification of HUD policies. For example, FAQs on the HUD website can provide direction on the application of federal regulations to a specific pattern.

## State Law

Where there is no mandatory federal guidance, PHAs must comply with state law, if it exists. Where state law is more restrictive than federal law, but does not conflict with it, the PHA should follow the state law.

## Industry Practice

Where no law or HUD authority exists on a particular subject, industry practice may support PHA policy. An industry practice is a way of doing things that is followed by most housing authorities.

## RESOURCES CITED IN THE MODEL ACOP

The model ACOP cites several documents. Where a document or resource is cited frequently, it may be abbreviated. Where it is cited only once or twice, the model ACOP may contain the entire name of the document or resource. Following is a key to abbreviations used for various sources that are frequently cited in the ACOP, and a list of references and document locations that are referenced in the model ACOP or that may be helpful to you.

### Abbreviations

Throughout the model ACOP, abbreviations are used to designate certain documents in citations. The following is a table of abbreviations of documents cited by the model ACOP.

<b>Abbreviation</b>	<b>Document</b>
CFR	Code of Federal Regulations
HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), April 2001.
HUD-50058 IB	HUD-50058 Instruction Booklet
PH OCC GB	Public Housing Occupancy Guidebook, June 2003
RHIIP FAQs	Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions
VG	Verification Guidance, March 2004 (attachment to PIH Notice 2004-1)

## Resources and Where to Find Them

Following is a list of resources helpful to the PHA or referenced in the model ACOP, and the online location of each.

<b>Document and Location</b>
Code of Federal Regulations <a href="http://www.ecfr.gov">http://www.ecfr.gov</a>
Earned Income Disregard FAQs <a href="http://www.hud.gov/offices/pih/phr/about/ao_faq_eid.cfm">http://www.hud.gov/offices/pih/phr/about/ao_faq_eid.cfm</a>
Enterprise Income Verification (EIV) System PHA Security Procedures, Version 1.2, issued January 2005 <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/docs/eivsecguidepha.pdf">http://www.hud.gov/offices/pih/programs/ph/rhiip/docs/eivsecguidepha.pdf</a>
Executive Order 11063 <a href="http://www.hud.gov/offices/fheo/FHLaws/EXO11063.cfm">http://www.hud.gov/offices/fheo/FHLaws/EXO11063.cfm</a>
Federal Register <a href="http://www.gpo.gov/fdsys/search/getftoc.action">http://www.gpo.gov/fdsys/search/getftoc.action</a>
General Income and Rent Determination FAQs <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/faq_gird.cfm">http://www.hud.gov/offices/pih/programs/ph/rhiip/faq_gird.cfm</a>
Housing Choice Voucher Program Guidebook (7420.10G), April 2001 <a href="http://www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm">http://www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm</a>
HUD-50058 Instruction Booklet <a href="http://portal.hud.gov/hudportal/documents/huddoc?id=50058i.pdf">http://portal.hud.gov/hudportal/documents/huddoc?id=50058i.pdf</a>
Joint Statement of the Department of Housing and Urban Development and the Department of Justice, issued May 17, 2004 <a href="http://www.hud.gov/offices/fheo/library/hud DOJstatement.pdf">http://www.hud.gov/offices/fheo/library/hud DOJstatement.pdf</a>
Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007 <a href="http://www.hud.gov/offices/fheo/promotingfh/FederalRegistepublishedguidance.pdf">http://www.hud.gov/offices/fheo/promotingfh/FederalRegistepublishedguidance.pdf</a>

<p>Notice PIH 2007-27 (HA), Disallowed Costs and Sanctions Resulting from On-Site Monitoring Reviews  <a href="http://www.hud.gov/offices/pih/publications/notices/07/pih2007-27.pdf">http://www.hud.gov/offices/pih/publications/notices/07/pih2007-27.pdf</a></p>
<p>Notice PIH 2012-10, Verification of Social Security Numbers (SSNs) and Supplemental Security Income (SSI) Benefits; and Effective Use of the Enterprise Income Verification (EIV) System's Identity Verification Report  <a href="http://portal.hud.gov/huddoc/pih2012-10.pdf">http://portal.hud.gov/huddoc/pih2012-10.pdf</a></p>
<p>Notice PIH 2010-19, Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System  <a href="http://www.hud.gov/offices/pih/publications/notices/10/pih2010-19.pdf">http://www.hud.gov/offices/pih/publications/notices/10/pih2010-19.pdf</a></p>
<p>Notice PIH 2010-26 (HA), Nondiscrimination and Accessibility Notice  <a href="http://www.hud.gov/offices/pih/publications/notices/10/pih2010-26.pdf">http://www.hud.gov/offices/pih/publications/notices/10/pih2010-26.pdf</a></p>
<p>OMB Circular A-133  <a href="http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2010">http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2010</a></p>
<p>Public Housing Occupancy Guidebook, June 2003  <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/phguidebook.cfm">http://www.hud.gov/offices/pih/programs/ph/rhiip/phguidebook.cfm</a></p>
<p>Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions  <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/faq.cfm">http://www.hud.gov/offices/pih/programs/ph/rhiip/faq.cfm</a></p>
<p>VAWA Reauthorization Act of 2013  <a href="http://www.gpo.gov/fdsys/pkg/FR-2013-08-06/pdf/2013-18920.pdf">http://www.gpo.gov/fdsys/pkg/FR-2013-08-06/pdf/2013-18920.pdf</a></p>
<p>Verification FAQs  <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/faq_verif.cfm">http://www.hud.gov/offices/pih/programs/ph/rhiip/faq_verif.cfm</a></p>
<p>Verification Guidance, March 2004 (attachment to Notice PIH 2004-1)  <a href="http://www.hud.gov/offices/pih/publications/notices/04/verifguidance.pdf">http://www.hud.gov/offices/pih/publications/notices/04/verifguidance.pdf</a></p>

The HUD Web site is <http://portal.hud.gov/hudportal/HUD>.

Guidebooks, handbooks, and other HUD resources may be found at the HUDClips Web site:  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips).



## Chapter 1

### OVERVIEW OF THE PROGRAM AND PLAN

#### INTRODUCTION

The PHA receives its operating subsidy for the public housing program from the Department of Housing and Urban Development. The PHA is not a federal department or agency. A public housing agency (PHA) is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low-income families. The PHA enters into an Annual Contributions Contract with HUD to administer the public housing program. The PHA must ensure compliance with federal laws, regulations and notices and must establish policies and procedures to clarify federal requirements and to ensure consistency in program operation.

This chapter contains information about the PHA and its programs with emphasis on the public housing program. It also contains information about the purpose, intent and use of the plan and guide.

There are three parts to this chapter:

Part I: The Public Housing Agency (PHA). This part includes a description of the PHA, its jurisdiction, its programs, and its mission and intent.

Part II: The Public Housing Program. This part contains information about public housing operation, roles and responsibilities, and partnerships.

Part III: The Admissions and Continued Occupancy (ACOP). This part discusses the purpose and organization of the plan and its revision requirements.

#### PART I: THE PHA

##### 1-I.A. OVERVIEW

This part describes the PHA's creation and authorization, the general structure of the organization, and the relationship between the PHA Board and staff.

## **1-I.B. ORGANIZATION AND STRUCTURE OF THE PHA**

Public housing is funded by the federal government and administered by the Housing and Community Services Agency of Lane County for the jurisdiction of **Lane County, Oregon**.

PHAs are governed by a board of officials that are generally called “commissioners.” Although some PHAs may use a different title for their officials, this document will hitherto refer to the “board of commissioners” or the “board” when discussing the board of governing officials.

Commissioners are appointed in accordance with state housing law and generally serve in the same capacity as the directors of a corporation. The board of commissioners establishes policies under which the PHA conducts business, and ensures that those policies are followed by PHA staff. The board is responsible for preserving and expanding the agency’s resources and assuring the agency’s continued viability and success.

Formal actions of the PHA are taken through written resolutions, adopted by the board and entered into the official records of the PHA.

The principal staff member of the PHA is the executive director (ED), who is selected and hired by the board. The ED oversees the day to day operations of the PHA and is directly responsible for carrying out the policies established by the commissioners. The ED’s duties include hiring, training, and supervising the PHA’s staff, as well as budgeting and financial planning for the agency. Additionally, the ED is charged with ensuring compliance with federal and state laws, and program mandates. In some PHAs, the ED is known by another title, such as chief executive officer or president.

## **1-I.C. PHA MISSION**

The purpose of a mission statement is to communicate the purpose of the agency to people inside and outside of the agency. It provides the basis for strategy development, identification of critical success factors, resource allocation decisions, as well as ensuring client and stakeholder satisfaction.

### HACSA Policy

Making a difference in the quality of affordable housing and related community services.

## **1-I.D. THE PHA'S COMMITMENT TO ETHICS AND SERVICE**

As a public service agency, the PHA is committed to providing excellent service to all public housing applicants, residents, and the public. In order to provide superior service, the PHA resolves to:

- Administer applicable federal and state laws and regulations to achieve high ratings in compliance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.
- Provide decent, safe, and sanitary housing in good repair – in compliance with program uniform physical condition standards – for very low- and low-income families.
- Achieve a healthy mix of incomes in its public housing developments by attracting and retaining higher income families and by working toward deconcentration of poverty goals.
- Encourage self-sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.
- Promote fair housing and the opportunity for very low- and low-income families of all races, ethnicities, national origins, religions, ethnic backgrounds, and with all types of disabilities, to participate in the public housing program and its services.
- Create positive public awareness and expand the level of family and community support in accomplishing the PHA's mission.
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.
- Administer an efficient, high-performing agency through continuous improvement of the PHA's support systems and commitment to our employees and their development.

The PHA will make every effort to keep residents informed of program rules and regulations, and to advise participants of how the program rules affect them.

## **PART II: THE PUBLIC HOUSING PROGRAM**

### **1-II.A. OVERVIEW AND HISTORY OF THE PROGRAM**

The intent of this section is to provide the public and staff an overview of the history and operation of public housing.

The United States Housing Act of 1937 (the “Act”) is responsible for the birth of federal housing program initiatives, known as public housing. The Act was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing for low-income residents. There have been many changes to the program since its inception in 1937.

The Housing Act of 1965 established the availability of federal assistance, administered through local public agencies, to provide rehabilitation grants for home repairs and rehabilitation. This act also created the federal Department of Housing and Urban Development (HUD).

The Housing Act of 1969 created an operating subsidy for the public housing program for the first time. Until that time, public housing was a self-sustaining program.

In 1998, the Quality Housing and Work Responsibility Act (QHWRA) – also known as the Public Housing Reform Act or Housing Act of 1998 – was signed into law. Its purpose was to provide more private sector management guidelines to the public housing program and provide residents with greater choices. It also allowed PHAs more remedies to replace or revitalize severely distressed public housing developments. Highlights of the Reform Act include: the establishment of flat rents; the requirement for PHAs to develop five-year and annual plans; income targeting, a requirement that 40% of all new admissions in public housing during any given fiscal year be reserved for extremely low-income families; and resident self-sufficiency incentives.

## **1-II.B. PUBLIC HOUSING PROGRAM BASICS**

HUD writes and publishes regulations in order to implement public housing laws enacted by Congress. HUD contracts with the PHA to administer programs in accordance with HUD regulations and provides an operating subsidy to the PHA. The PHA must create written policies that are consistent with HUD regulations. Among these policies is the PHA's Admissions and Continued Occupancy Policy (ACOP). The ACOP must be approved by the board of commissioners of the PHA.

The job of the PHA pursuant to HUD regulations is to provide decent, safe, and sanitary housing, in good repair, to low-income families at an affordable rent. The PHA screens applicants for public housing and, if they are determined to be eligible for the program, the PHA makes an offer of a housing unit. If the applicant accepts the offer, the PHA and the applicant will enter into a written lease agreement. At this point, the applicant becomes a tenant in the public housing program.

In the context of the public housing program, a tenant is defined as the adult person(s) (other than a live-in aide who (1) executed the lease with the PHA as lessee of the dwelling unit, or, if no such person now resides in the unit, (2) who resides in the unit, and who is the remaining head of household of the tenant family residing in the dwelling unit. [24 CFR 966.53]. The Public Housing Occupancy Guidebook refers to tenants as "residents." The terms "tenant" and "resident" are used interchangeably in this policy. Additionally, this policy uses the term "family" or "families" for residents or applicants, depending on context.

Since the PHA owns the public housing development, the PHA is the landlord. The PHA must comply with all of the legal and management responsibilities of a landlord in addition to administering the program in accordance with HUD regulations and PHA policy.

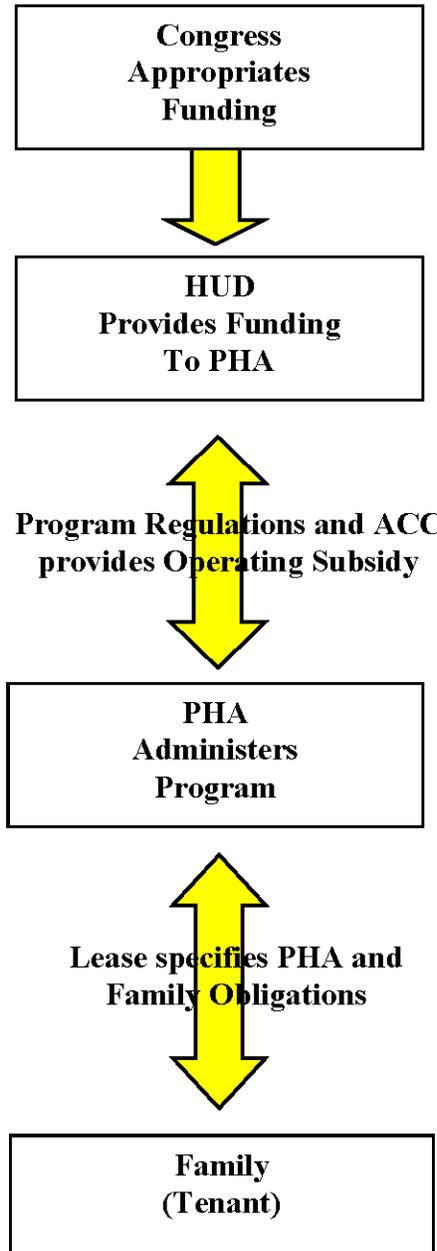
## **1-II.C. PUBLIC HOUSING PARTNERSHIPS**

To administer the public housing program, the PHA must enter into an Annual Contributions Contract (ACC) with HUD. The PHA also enters into a contractual relationship with the tenant through the public housing lease. These contracts define and describe the roles and responsibilities of each party.

In addition to the ACC, the PHA and family must also comply with federal regulations and other HUD publications and directives. For the program to work and be successful, all parties involved – HUD, the PHA, and the tenant – play an important role.

The chart on the following page illustrates key aspects of these relationships.

## The Public Housing Relationships



## **What does HUD do?**

Federal law is the source of HUD responsibilities. HUD has the following major responsibilities:

- Develop regulations, requirements, handbooks, notices and other guidance to implement housing legislation passed by Congress
- Allocate operating subsidies to PHAs
- Allocate capital funding to PHAs
- Provide technical assistance to PHAs on interpreting and applying program requirements
- Monitor PHA compliance with program requirements and PHA performance in program administration.

## **What does the PHA do?**

The PHA's responsibilities originate in federal regulations and the ACC. The PHA owns and manages public housing developments, administers the program under contract with HUD and has the following major responsibilities:

- Ensure compliance with all non-discrimination, equal opportunity, and fair housing laws, and ensure that the program is accessible to persons with disabilities
- Establish local policies and procedures for operating the program
- Accept applications from interested applicant families and determine whether they are income eligible for the program
- Maintain waiting list and select families for admission
- Screen applicant families for suitability as renters
- Maintain housing units by making any necessary repairs in a timely manner
- Make unit offers to families (minimize vacancies without overcrowding)
- Maintain properties to the standard of decent, safe, sanitary, and in good repair (including assuring compliance with uniform physical conditions standards)
- Make sure the PHA has adequate financial resources to maintain its housing stock
- Perform regular reexaminations of family income and composition in accordance with HUD requirements
- Collect rent due from the assisted family and comply with and enforce provisions of the lease
- Ensure that families comply with program rules
- Provide families with prompt and professional service
- Comply with HUD regulations and requirements, the Annual Contributions Contract, HUD-approved applications for funding, the PHA's ACOP, and other applicable federal, state and local laws.

### **What does the tenant do?**

The tenant's responsibilities are articulated in the public housing lease. The tenant has the following broad responsibilities:

- Comply with the terms of the lease and PHA house rules, as applicable
- Provide the PHA with complete and accurate information, determined by the PHA to be necessary for administration of the program
- Cooperate in attending all appointments scheduled by the PHA
- Allow the PHA to inspect the unit at reasonable times and after reasonable notice
- Take responsibility for care of the housing unit, including any violations of uniform physical condition standards caused by the family
- Not engage in drug-related or violent criminal activity
- Notify the PHA before moving or termination of the lease
- Use the assisted unit only for residence and as the sole residence of the family. Not sublet the unit or assign the lease
- Promptly notify the PHA of any changes in family composition
- Not commit fraud, bribery, or any other corrupt or criminal act in connection with any housing programs
- Take care of the housing unit and report maintenance problems to the PHA promptly

If all parties fulfill their obligations in a professional and timely manner, the program responsibilities will be fulfilled in an effective manner.

## **1-II.D. APPLICABLE REGULATIONS**

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead-Based Paint
- 24 CFR Part 902: Public Housing Assessment System
- 24 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 945: Designated Housing
- 24 CFR Part 960: Admission and Occupancy Policies
- 24 CFR Part 965: PHA-Owned or Leased Projects – General Provisions
- 24 CFR Part 966: Lease and Grievance Procedures

## 1-II.E. HACSA PUBLIC HOUSING DEVELOPMENTS

### Public Housing Units

1. Laurelwood Homes Florence - There are 29 units for elderly, disabled and family residents. Occupancy first occurred in 1961. These homes are one-story duplex and detached units.
2. McKenzie Village Springfield - There are 172 units for elderly, disabled and family residents. Occupancy first occurred in 1961 for Phase 1 (Project 6-2), and in 1963 for Phase 2 (Project 6-3). These homes are one-story duplexes.
3. Parkview Terrace Eugene - There are 150 units for elderly and disabled residents. Occupancy first occurred in 1966. These are single-level homes in a two-court, four-story elevator building.
4. Lindeborg Place Junction City - There are 40 units for elderly and disabled residents. Occupancy first occurred in 1967. These are single-level homes in a two-story, courtyard elevator building.
5. Cresview Villa Creswell – Project 6-6 is comprised of 14 units for elderly and disabled residents. Occupancy first occurred in 1967. Project 6-18 is comprised of 20 units for elderly and disabled residents. These units were added to the previously built Cresview Villa. Occupancy first occurred in 1983. All of these homes are one-story row units.
6. Riverview Terrace Cottage Grove - There are 60 units for elderly and disabled residents. Occupancy first occurred in 1968. These are single-level homes in a six-story elevator building.
7. Veneta Villa & Scattered Sites Veneta - There are 50 single-level units for elderly, disabled and family residents. Occupancy first occurred in 1969. These homes are single-story four-plex, six-plex, duplex or scattered site units.
8. Scattered Sites in Eugene (16 units) and Springfield (10 units) totaling 26 units for families. These units are an average of 26 years old and were purchased and occupied in late 1980. These are all single family detached or duplex homes.
9. Pengra Court, and Scattered Sites in Springfield (22 units), and scattered site units in Eugene (9) totaling 31 units for families. Occupancy occurred in 1982. These homes are two-story row homes (Pengra Court) and duplex (scattered site) units.

10. Scattered Sites in Eugene (18 units) and Springfield (9 units) totaling 27 units for families. These units are an average of 40 years old and were purchased and occupied in 1982. These are single-family detached or duplex homes.
11. Scattered Sites in Eugene (10 units) for families. These units are an average of 22 years old and were purchased and occupied in 1985. These are single-family detached or duplex homes.
12. Scattered Sites in Eugene (40 units) for families. These units are an average of 26 years old and were purchased and occupied in 1987. These are single-family detached or duplex homes.
13. Maple Wood Meadows Eugene (38 units) for family and disabled residents. Occupancy first occurred in 1991. These are one- or two-story duplex units.

## **PART III: THE ADMISSIONS AND CONTINUED OCCUPANCY POLICIES**

### **1-III.A. OVERVIEW AND PURPOSE OF THE POLICY**

The ACOP is the PHA's written statement of policies used to carry out the housing program in accordance with federal law and regulations, and HUD requirements. The ACOP is required by HUD and it must be available for public review [CFR 24 Part 903]. The ACOP also contains policies that support the objectives contained in the PHA's Agency Plan.

All issues related to public housing not addressed in this ACOP are governed by federal regulations, HUD handbooks and guidebooks, notices and applicable state and local laws. The policies in this ACOP have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding. The PHA is responsible for complying with all changes in HUD regulations pertaining to public housing. If such changes conflict with this plan, HUD regulations will have precedence.

### **1-III.B. CONTENTS OF THE POLICY**

Unlike the housing choice voucher program, HUD regulations for public housing do not contain a list of what must be included in the ACOP. However, individual regulations contain requirements of inclusion in the PHA's written policy. At a minimum, the ACOP plan should cover PHA policies on these subjects:

- The organization of the waiting list and how families are selected and offered available units, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list (Chapters 4 and 5)
- Transfer policies and the circumstances under which a transfer would take precedence over an admission (Chapter 12)
- Standards for determining eligibility, suitability for tenancy, and the size and type of the unit needed (Chapters 3 and 5)
- Procedures for verifying the information the family has provided (Chapter 7)
- The method for achieving deconcentration of poverty and income-mixing of public housing developments (Chapter 4)
- Grievance procedures (Chapter 14)
- Policies concerning payment by a family to the PHA of amounts the family owes the PHA (Chapter 15 and 16)
- Interim redeterminations of family income and composition (Chapter 9)
- Policies regarding community service requirements; (Chapter 11)
- Policies and rules about safety and ownership of pets in public housing (Chapter 10).

## **New Approach to Policy Development**

HUD has developed an approach to monitoring PHAs that emphasizes the importance of consistency in operation and decision-making. The ACOP supports that goal by clearly setting forth the PHA's operating policies.

A primary focus of HUD's Rental Integrity Monitoring (RIM) program has been consistency in how PHAs conduct their business and in how HUD monitors PHA activities. Referring to and following the ACOP is essential to maintaining consistency in applying PHA policy.

HUD makes a distinction between mandatory policies and non-mandatory policies:

- Mandatory policies: those driven by legislation, regulations, current handbooks, current PIH notices, and legal opinions from the Office of General Counsel
- Optional, non-binding guidance: includes guidebooks, FAQs, PIH notices that have expired, and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory policies and to make clear the optional policies the PHA has adopted. The ACOP is comprised of mandatory policies and optional PHA policy. HUD's new direction emphasizes the need for a clearly written and comprehensive ACOP to guide staff in the clear and consistent application of policy.

HUD suggestions, recommendations, written issuances, and guidance are consistent with mandatory federal policy. Therefore, using HUD guidance in the preparation of PHA policy, even though it is not mandatory, provides a PHA with a "safe harbor." If a PHA adopts its own optional policy, it must make its own determination that such policy is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than that suggested by HUD, but PHAs should carefully think through those decisions and be able to articulate how their policy is consistent with federal laws, regulations and mandatory policy.

### **1-III.C. UPDATING AND REVISING THE POLICY**

The PHA will revise this ACOP as needed to comply with changes in HUD regulations. The original policy and any changes must be approved by the board of commissioners of the PHA, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

#### HACSA Policy

HACSA will review and update the ACOP as needed to reflect changes in regulations, PHA operations, or when needed to ensure staff consistency in operation.

## Chapter 2

### FAIR HOUSING AND EQUAL OPPORTUNITY

#### INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and procedures. The responsibility to further nondiscrimination pertains to all areas of the PHA's public housing operations.

This chapter describes HUD regulations and PHA policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the public housing program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the public housing program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons published January 22, 2007, in the *Federal Register*.



## PART I: NONDISCRIMINATION

### 2-I.A. OVERVIEW

Federal laws require PHAs to treat all applicants and tenant families equally, providing the same quality of service, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. The PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012 and further clarified in Notice PIH 2014-20
- The Violence against Women Act of 2013 (VAWA)
- Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted

When more than one civil rights law applies to a situation, the laws will be read and applied together.

#### HACSA Policy

HACSA will comply with all state and local non-discrimination laws and ordinances unless they conflict with Federal Law or Regulation.

## **2-I.B. NONDISCRIMINATION**

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as PHA policies, can prohibit discrimination against additional classes of people.

The PHA shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”).

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

The PHA will not discriminate on the basis of marital status, gender identity, or sexual orientation [FR Notice 02/03/12].

### HACSA Policy

The PHA does not identify any additional protected classes.

The PHA will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the public housing program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or tenant toward or away from a particular area based on any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

## **Providing Information to Families**

The PHA must take steps to ensure that families are fully aware of all applicable civil rights laws. As part of the public housing orientation process, the PHA will provide information to public housing applicant families about civil rights requirements.

## **Discrimination Complaints**

If an applicant or tenant family believes that any family member has been discriminated against by the PHA, the family should advise the PHA. HUD requires the PHA to make every reasonable attempt to determine whether the applicant or tenant family's assertions have merit and take any warranted corrective action.

In all cases, the PHA may advise the family to file a fair housing complaint if the family feels they have been discriminated against under the Fair Housing Act.

Upon receipt of a housing discrimination complaint, the PHA is required to:

- Provide written notice of the complaint to those alleged and inform the complainant that such notice was made
- Investigate the allegations and provide the complainant and those alleged with findings and either a proposed corrective action or an explanation of why corrective action is not warranted
- Keep records of all complaints, investigations, notices, and corrective actions  
[Notice PIH 2014-20]

### HACSA Policy

Applicants or tenant families who believe that they have been subject to unlawful discrimination may notify HACSA either orally or in writing.

Within 14 calendar days of receiving the complaint, HACSA will provide a written notice to those alleged to have violated the rule. HACSA will also send a written notice to the complainant informing them that notice was sent to those alleged to have violated the rule, as well as information on how to complete and submit a housing discrimination complaint form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

HACSA will attempt to remedy discrimination complaints made against HACSA and will conduct an investigation into all allegations of discrimination.

Within 14 calendar days following the conclusion of HACSA's investigation, HACSA will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.

HACSA will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)



## **PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES**

### **2-II.A. OVERVIEW**

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The PHA must ensure that persons with disabilities have full access to the PHA's programs and services. This responsibility begins with the first inquiry of an interested family and continues through every programmatic area of the public housing program [24 CFR 8].

The PHA must provide a notice to each tenant that the tenant may, at any time during the tenancy, request reasonable accommodation of a handicap of a household member, including reasonable accommodation so that the tenant can meet lease requirements or other requirements of tenancy [24 CFR 966.7(b)].

#### HACSA Policy

HACSA will ask all applicants and resident families if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by HACSA, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority.”

A specific position and phone number will be provided as the contact person for requests for accommodation for persons with disabilities.

## **2-II.B. DEFINITION OF REASONABLE ACCOMMODATION**

A “reasonable accommodation” is a change, exception, or adjustment to a policy, practice or service that may be necessary for a person with a disability to have an equal opportunity to use and enjoy a dwelling, including public and common use spaces. Since policies and services may have a different effect on persons with disabilities than on other persons, treating persons with disabilities exactly the same as others will sometimes deny them an equal opportunity to use and enjoy a dwelling. [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an "undue financial and administrative burden" for the PHA, or result in a “fundamental alteration” in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider’s operations.

### **Types of Reasonable Accommodations**

When it is reasonable (see definition above and Section 2-II.E), the PHA shall accommodate the needs of a person with disabilities. Examples include but are not limited to:

- Permitting applications and reexaminations to be completed by mail
- Providing “large-print” forms
- Conducting home visits
- Permitting a higher utility allowance for the unit if a person with disabilities requires the use of specialized equipment related to the disability
- Modifying or altering a unit or physical system if such a modification or alteration is necessary to provide equal access to a person with a disability
- Installing a ramp into a dwelling or building
- Installing grab bars in a bathroom
- Installing visual fire alarms for hearing impaired persons
- Allowing a PHA-approved live-in aide to reside in the unit if that person is determined to be essential to the care of a person with disabilities, is not obligated for the support of the person with disabilities, and would not be otherwise living in the unit.
- Providing a designated handicapped-accessible parking space
- Allowing an assistance animal
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff
- Displaying posters and other housing information in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair

## **2-II.C. REQUEST FOR AN ACCOMMODATION**

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that the PHA treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the PHA's programs and services.

If the need for the accommodation is not readily apparent or known to the PHA, the family must explain the relationship between the requested accommodation and the disability.

### HACSA Policy

HACSA will encourage the family to make its request in writing using a reasonable accommodation request form. However, HACSA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

## **2-II.D. VERIFICATION OF DISABILITY**

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.

If a person's disability is obvious or otherwise known to the PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16 (Program Administration). In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].
- The PHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The PHA may not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.
- In the event that the PHA does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, the PHA will dispose of it. In place of the information, the PHA will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

## **2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION** [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, Notice PIH 2010-26]

The PHA must approve a request for an accommodation if the following three conditions are met.

- The request was made by or on behalf of a person with a disability.
- There is a disability-related need for the accommodation.
- The requested accommodation is reasonable, meaning it would not impose an undue financial and administrative burden on the PHA, or fundamentally alter the nature of the PHA's operations.

Requests for accommodations must be assessed on a case-by-case basis. The determination of undue financial and administrative burden must be made on a case-by-case basis involving various factors, such as the overall size of the PHA's program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, the PHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the PHA may verify the need for the requested accommodation.

### HACSA Policy

After a request for an accommodation is presented, HACSA will respond, in writing, within 14 calendar days.

If HACSA denies a request for an accommodation because there is no relationship, or nexus, found between the disability-caused limitation and the requested accommodation, the notice will inform the family of the right to appeal HACSA's decision through an informal hearing (for applicants) or the grievance process (for tenants) (see Chapter 14).

If HACSA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of HACSA's operations), HACSA will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the public housing program and without imposing an undue financial and administrative burden.

If HACSA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, HACSA will notify the family, in writing, of its determination within 14 calendar days from the date of the most recent discussion or communication with the family. The notice will inform the family of the right to appeal HACSA's decision through an informal hearing (for applicants) or the grievance process (see Chapter 14).

## **2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS**

HUD regulations require the PHA to take reasonable steps to ensure that persons with disabilities related to hearing and vision have reasonable access to the PHA's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the PHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

### HACSA Policy

To meet the needs of persons with hearing impairments, HACSA uses the Oregon Relay System and assisted listening devices.

To meet the needs of persons with vision impairments, large-print versions of key program documents will be made available upon request. Note-takers and readers will also be used. When visual aids are used in public meetings or presentations, or in meetings with HACSA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant or tenant) to receive, interpret and explain housing materials.

## **2-II.G. PHYSICAL ACCESSIBILITY**

The PHA must comply with a variety of regulations pertaining to physical accessibility, including the following.

- Notice PIH 2010-26
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

The PHA's policies concerning physical accessibility must be readily available to applicants and resident families. They can be found in three key documents.

- This policy, the Admissions and Continued Occupancy Policy, describes the key policies that govern the PHA's responsibilities with regard to physical accessibility.
- Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to nondiscrimination and accessibility in federally-funded housing programs.
- The PHA Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of PHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Notice PIH 2010-26 contains specific information on calculating the percentages of units for meeting UFAS requirements.

Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the public housing program.

## **2-II.H. DENIAL OR TERMINATION OF ASSISTANCE**

A PHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 966.7].

When applicants with disabilities are denied assistance, the notice of denial must inform them of their right to request an informal hearing [24 CFR 960.208(a)].

When a family's lease is terminated, the notice of termination must inform the family of their right to request a hearing in accordance with the PHA's grievance process [24 CFR 966.4(1)(3)(ii)].

When reviewing reasonable accommodation requests, the PHA must consider whether reasonable accommodation will allow the family to overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the PHA must make the accommodation [24 CFR 966.7].

In addition, the PHA must provide reasonable accommodation for persons with disabilities to participate in the hearing process [24 CFR 966.56(h)].

## **PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)**

### **2-III.A. OVERVIEW**

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the public housing program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007, in the *Federal Register*.

The PHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP persons are defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this Admissions and Continued Occupancy Policy, LEP persons are public housing applicants and resident families, and parents and family members of applicants and resident families.

In order to determine the level of access needed by LEP persons, the PHA will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the public housing program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the PHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the PHA.

## **2-III.B. ORAL INTERPRETATION**

The PHA will offer competent interpretation services free of charge, upon request, to the LEP person.

### HACSA Policy

HACSA will utilize a language line for telephone interpreter services.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by HACSA. The interpreter may be a family member or friend.

HACSA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

Where feasible and possible, according to its language assistance plan (LAP), HACSA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents.

## **2-III.C. WRITTEN TRANSLATION**

Translation is the replacement of a written text from one language into an equivalent written text in another language.

### HACSA Policy

In order to comply with written translation obligations, HACSA will take the following steps:

HACSA will work to provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If the language has not reached the 5 the percent trigger, HACSA may not translate vital written materials, but will provide written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

## **2-III.D. IMPLEMENTATION PLAN**

After completing the four-factor analysis and deciding what language assistance services are appropriate, the PHA shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If the PHA determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to the PHA's public housing program and services.

### HACSA Policy

If it is determined that HACSA serves very few LEP persons, and HACSA has very limited resources, HACSA will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If HACSA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the LEP plan.



**EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]**

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major live activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the public housing program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this definition of disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the public housing program, yet an accommodation is needed to provide equal opportunity.

## Chapter 3

### ELIGIBILITY

#### INTRODUCTION

The PHA is responsible for ensuring that every individual and family admitted to the public housing program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the PHA to confirm eligibility and determine the level of the family's assistance.

To be eligible for the public housing program:

- The applicant family must:
  - Qualify as a family as defined by HUD and the PHA.
  - Have income at or below HUD-specified income limits.
  - Qualify on the basis of citizenship or the eligible immigrant status of family members.
  - Provide social security number information for household members as required.
  - Consent to the PHA's collection and use of family information as provided for in PHA-provided consent forms.
- The PHA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the PHA.

This chapter contains three parts:

Part I: Definitions of Family and Household Members. This part contains HUD and PHA definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Part II: Basic Eligibility Criteria. This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Part III: Denial of Admission. This part covers factors related to an applicant's past or current conduct (e.g. criminal activity) that can cause the PHA to deny admission.



## **PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS**

### **3-I.A. OVERVIEW**

Some eligibility criteria and program rules vary depending upon the composition of the family requesting assistance. In addition, some requirements apply to the family as a whole and others apply to individual persons who will live in the public housing unit. This part provides information that is needed to correctly identify family and household members, and explains HUD's eligibility rules.

### **3-I.B. FAMILY AND HOUSEHOLD [24 CFR 5.105(a)(2), 24 CFR 5.403, FR Notice 02/03/12, and Notice PIH 2014-20]**

The terms *family* and *household* have different meanings in the public housing program.

#### **Family**

To be eligible for admission, an applicant must qualify as a family. *Family* as defined by HUD, includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; or a group of persons residing together. Such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family. The PHA has the discretion to determine if any other group of persons qualifies as a family.

*Gender Identity* means actual or perceived gender characteristics.

*Sexual orientation* means homosexuality, heterosexuality, or bisexuality.

#### HACSA Policy

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law, but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

Each family must identify the individuals to be included in the family at the time of application, and must update this information if the family's composition changes.

#### **Household**

*Household* is a broader term that includes additional people who, with the PHA's permission, live in a public housing unit, such as live-in aides, foster children, and foster adults.

### **3-I.C. FAMILY BREAKUP AND REMAINING MEMBER OF TENANT FAMILY**

#### **Family Breakup**

Except under the following conditions, the PHA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, the PHA must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, and stalking, see section 16-VII.D of this plan.)
- If a court determines the disposition of property between members of the assisted family, the PHA is bound by the court's determination of which family members continue to receive assistance.

#### HACSA Policy

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may submit a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while living in public housing, only one of the new families will retain occupancy of the unit.

If a court determines the disposition of property between members of an applicant or resident family, HACSA will abide by the court's determination.

In the absence of a judicial decision or an agreement among the original family members, HACSA will determine which family will retain their placement on the waiting list or continue in occupancy. In making its determination, HACSA will take into consideration the following factors: (1) the interest of any minor children, including custody arrangements; (2) the interest of any ill, elderly, or disabled family members; (3) the interest of any family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, including a family member who was forced to leave a public housing unit as a result of such actual or threatened abuse, and provides documentation in accordance with section 16-VII.D of this ACOP; (4) any possible risks to family members as a result of criminal activity, and (5) the recommendations of social service professionals.

#### **Remaining Member of a Tenant Family [24 CFR 5.403]**

The HUD definition of family includes the *remaining member of a tenant family*, which is a member of a resident family who remains in the unit when other members of the family have left the unit [PH Occ GB, p. 26]. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only “remaining members of a tenant family” and there is no family member able to assume the responsibilities of the head of household, see Chapter 6, Section 6-I.B, for the policy on “Caretakers for a Child.”

### **3-I.D. HEAD OF HOUSEHOLD [24 CFR 5.504(b)]**

*Head of household* means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a cohead or spouse.

#### HACSA Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

### **3-I.E. SPOUSE, COHEAD, AND OTHER ADULT**

A family may have a spouse or cohead, but not both [HUD-50058 IB, p. 13].

*Spouse* means the marriage partner of the head of household.

#### HACSA Policy

A *marriage partner* includes the partner in a "common law" marriage as defined in state law (including other states). The term "spouse" does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

A *cohead* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one cohead.

#### HACSA Policy

Minors who are emancipated under state law may be designated as a cohead.

*Other adult* means a family member, other than the head, spouse, or cohead, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults [HUD-50058 IB, p. 14].

### **3-I.F. DEPENDENT [24 CFR 5.603]**

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a deduction from annual income as described in Chapter 6.

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

##### HACSA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or resident family 51 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, HACSA will make the determination based on available documents such as court orders, an IRS income tax return showing which family has claimed the child for income tax purposes, school records, or other credible documentation.

### **3-I.G. FULL-TIME STUDENT [24 CFR 5.603]**

A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to determine if attendance is full-time is defined by the educational institution.

Identifying each FTS is important because (1) each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent deduction and (2) the income of such an FTS is treated differently from the income of other family members.

### **3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY [24 CFR 5.100, 5.403, 945.105, and FR Notice 02/03/12]**

#### **Elderly Persons**

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

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

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

#### **Elderly Family**

An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person. Identifying elderly families is important because these families qualify for the elderly family allowance and the medical allowance as described in Chapter 6 and may qualify for a particular type of development as noted in Chapter 4.

### **3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403, FR Notice 02/03/12]**

#### **Persons with Disabilities**

Under the public housing program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities. The technical definitions of individual with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this chapter. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.

As discussed in Chapter 2, the PHA must make all aspects of the public housing program accessible to persons with disabilities and consider requests for reasonable accommodations when a person's disability limits their full access to the unit, the program, or the PHA's services.

#### **Disabled Family**

A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for the disabled family allowance and the medical allowance as described in Chapter 6 and may qualify for a particular type of development as noted in Chapter 4.

Even though persons with drug or alcohol dependencies are considered persons with disabilities for the purpose of non-discrimination, this does not prevent the PHA from denying admission or taking action under the lease for reasons related to alcohol and drug abuse in accordance with the policies found in Part III of this chapter and in Chapter 13.

### **3-I.J. GUESTS [24 CFR 5.100]**

A *guest* is defined as a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

The lease must provide that the tenant has the right to exclusive use and occupancy of the leased unit by the members of the household authorized to reside in the unit in accordance with the lease, including reasonable accommodation of their guests [24 CFR 966.4(d)]. The head of household is responsible for the conduct of visitors and guests, inside the unit as well as anywhere on or near PHA premises [24 CFR 966.4(f)].

#### HACSA Policy

A family is allowed a total of 14 overnight guest visits in any 12 month period; this limit applies, whether used by one or several guests.

Former residents who have been evicted are not permitted as overnight guests.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure expected to last 20 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the public housing unit more than 51 percent of the time, are not subject to the time limitations of guests as described above.

Guests who report the public housing unit address as their residence address or address of record for receipt of benefits or any other purposes will be considered unauthorized occupants. In addition, guests who remain in the unit beyond the allowable time limit will be considered to be unauthorized occupants, and their presence constitutes violation of the lease.

### **3-I.K. FOSTER CHILDREN AND FOSTER ADULTS**

*Foster adults* are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609(c)(2)].

The term *foster child* is not specifically defined by the regulations.

Foster children and foster adults that are living with an applicant or resident family are considered household members but not family members. The income of foster children/adults is not counted in family annual income and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603 and HUD-50058 IB, pp. 13-14].

#### HACSA Policy

A foster child is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in Section 3-I.L.

### **3-I.L. ABSENT FAMILY MEMBERS**

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

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

##### HACSA Policy

Generally an individual who is or is expected to be absent from the public housing unit for 90 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the public housing unit for more than 90 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

#### **Absent Students**

##### HACSA Policy

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

#### **Absences Due to Placement in Foster Care [24 CFR 5.403]**

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

##### HACSA Policy

If a child has been placed in foster care, HACSA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

## **Absent Head, Spouse, or Cohead**

### HACSA Policy

An employed head, spouse, or cohead absent from the unit more than 90 consecutive days due to employment will continue to be considered a family member.

## **Individuals Confined for Medical Reasons**

### HACSA Policy

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

If there is a question about the status of a family member, HACSA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

## **Return of Permanently Absent Family Members**

### HACSA Policy

The family must request HACSA approval for the return of any adult family members that HACSA has determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed in this chapter. The adult family member who was removed from the “family” must wait 6 months to reapply to be added to the lease.

### **3-I.M. LIVE-IN AIDE**

*Live-in aide* means a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the person(s), (2) is not obligated for the support of the person(s), and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

The PHA must approve a live-in aide if needed as a reasonable accommodation for a person with disabilities in accordance with 24 CFR 8.

A live-in aide is considered a household member but not a family member. The income of the live-in aide is not counted in determining the annual income of the family [24 CFR 5.609(c)(5)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. However, a relative who serves as a live-in aide is not considered a family member and would not be considered a remaining member of a tenant family.

#### HACSA Policy

HACSA will typically provide the family a form to request a live in aide. The family's request for a live-in aide may be made either orally or in writing. HACSA will verify the need for a live-in aide with a qualified professional as provided by the family, such as a doctor, social worker, or case worker. For continued approval, the family may be required to submit a new, written request—subject to HACSA verification—at the time of the annual reexamination.

In addition, the family and live-in aide may be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

HACSA has the discretion not to approve a particular person as a live-in aide, and may withdraw such approval, if [24 CFR 966.4(d)(3)(i)]:

The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

The person has a history of drug-related criminal activity or violent criminal activity; or

The person currently owes rent or other amounts to HACSA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

Within 14 calendar days of receiving a request for a live-in aide, including all required documentation related to the request, HACSA will notify the family of its decision in writing.

## **PART II: BASIC ELIGIBILITY CRITERIA**

### **3-II.A. INCOME ELIGIBILITY AND TARGETING**

#### **Income Limits**

HUD is required by law to establish income limits that determine the income eligibility of applicants for HUD's assisted housing programs, including the public housing program. The income limits are published annually and are based on HUD estimates of the median incomes for families of different sizes in a particular area or county.

#### **Types of Low-Income Families [24 CFR 5.603(b)]**

*Low-income family.* A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

*Very low-income family.* A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

*Extremely low-income family.* A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher.

Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

#### **Using Income Limits for Eligibility [24 CFR 960.201]**

Income limits are used for eligibility only at admission. Eligibility is established by comparing a family's annual income with HUD's published income limits. To be income eligible, the annual income of an applicant must be within the *low-income* limit.

### **Using Income Limits for Targeting [24 CFR 960.202(b)]**

At least 40 percent of the families admitted from the PHA waiting list to the public housing program during a PHA fiscal year must be *extremely low-income* families. This is called the “basic targeting requirement.”

If admissions of extremely low-income families to the PHA’s housing choice voucher program during a PHA fiscal year exceed the 75 percent minimum targeting requirement for that program, such excess shall be credited against the PHA’s public housing basic targeting requirement for the same fiscal year.

The fiscal year credit for housing choice voucher program admissions that exceed the minimum voucher program targeting requirement must not exceed the lower of:

- Ten percent of public housing waiting list admissions during the PHA fiscal year
- Ten percent of waiting list admission to the PHA’s housing choice voucher program during the PHA fiscal year
- The number of qualifying low-income families who commence occupancy during the fiscal year of public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.

For discussion of how income targeting is used in tenant selection, see Chapter 4.

### **3-II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5, Subpart E]**

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with the PHA's Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

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

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, cohead, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

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

In general, citizens and nationals are required to submit only a signed declaration that claims their status. However, HUD regulations permit the PHA to request additional documentation of their status, such as a passport.

##### HACSA Policy

Family members who declare citizenship or national status will not be required to provide additional documentation unless HACSA receives information indicating that an individual's declaration may not be accurate.

#### ***Eligible Noncitizens***

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with PHA efforts to verify their immigration status as described in Chapter 7. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

### ***Ineligible Noncitizens***

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

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

### **Mixed Families**

A family is eligible for admission as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 6 for a discussion of how rents are prorated, and Chapter 14 for a discussion of grievance hearing procedures.

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

A PHA may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the PHA that the individual or at least one family member is eligible [24 CFR 5.512(a)].

#### HACSA Policy

HACSA will not provide assistance to a family before the verification of at least one family member as a citizen, national, or eligible noncitizen.

When HACSA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens following the verification process, the family will be sent a written notice of ineligibility within 14 calendar days of the determination.

The notice will explain the reasons for the denial of assistance and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal review with HACSA. The grievance hearing with HACSA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the grievance hearing process.

Grievance hearing procedures are contained in Chapter 14.

### **Time Frame for Determination of Citizenship Status [24 CFR 5.508(g)]**

For new occupants joining the resident family the PHA must verify status at the first interim or regular reexamination following the person's occupancy, whichever comes first.

If an individual qualifies for a time extension for the submission of required documents, the PHA must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

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

#### HACSA Policy

HACSA will verify the status of applicants at the time other eligibility factors are determined.

### **3-II.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and 5.218, Notice PIH 2012-10]**

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. If a child under age 6 has been added to an applicant family within the 6 months prior to program admission, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of admission. A detailed discussion of acceptable documentation is provided in Chapter 7.

*Note:* These requirements do not apply to noncitizens who do not contend eligible immigration status.

In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.

The PHA must deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.

### **3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230]**

HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form HUD-9886, Authorization for the Release of Information Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Chapter 7 provides detailed information concerning the consent forms and verification requirements.

The PHA must deny admission to the program if any member of the applicant family fails to sign and submit consent forms which allow the PHA to obtain information that the PHA has determined is necessary in administration of the public housing program [24 CFR 960.259(a) and (b)].

## **PART III: DENIAL OF ADMISSION**

### **3-III.A. OVERVIEW**

A family that does not meet the eligibility criteria discussed in Parts I and II must be denied admission.

In addition, HUD requires or permits the PHA to deny admission based on certain types of current or past behaviors of family members as discussed in this part. The PHA's authority in this area is limited by the Violence against Women Act of 2013 (VAWA), which expressly prohibits the denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been the victim of domestic violence, dating violence, sexual assault, or stalking [24 CFR 5.2005(b)].

This part covers the following topics:

- Required denial of admission
- Other permitted reasons for denial of admission
- Screening
- Criteria for deciding to deny admission
- Prohibition against denial of admission to victims of domestic violence, dating violence, sexual assault, or stalking
- Notice of eligibility or denial

### **3-III.B. REQUIRED DENIAL OF ADMISSION [24 CFR 960.204]**

PHAs are required to establish standards that prohibit admission of an applicant to the public housing program if they have engaged in certain criminal activity or if the PHA has reasonable cause to believe that a household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

Where the statute requires that the PHA prohibit admission for a prescribed period of time after some disqualifying behavior or event, the PHA may choose to continue that prohibition for a longer period of time [24 CFR 960.203(c)(3)(ii)].

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

- Any member of the household has been evicted from federally-assisted housing in the last 3 years for drug-related criminal activity. HUD permits but does not require the PHA to admit an otherwise-eligible family if the household member has completed a PHA-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g. the person involved in the criminal activity no longer lives in the household).

HACSA Policy

HACSA will admit an otherwise-eligible family who was evicted from federally-assisted housing within the past 3 years for drug-related criminal activity, if HASCA is able to verify that the household member who engaged in the criminal activity has successfully completed a supervised drug rehabilitation program approved by HASCA, or the person who committed the crime is no longer living in the household.

- The PHA determines that any household member is currently engaged in the use of illegal drugs. *Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act [21 U.S.C. 802]. *Currently engaged in the illegal use of a drug* means a person has engaged in the behavior recently enough to justify a reasonable belief that there is continuing illegal drug use by a household member [24 CFR 960.205(b)(1)].

HACSA Policy

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

- The PHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

HACSA Policy

In determining reasonable cause, HACSA will consider all credible evidence, including but not limited to, any record of convictions, arrests, or evictions of household members related to the use of illegal drugs or the abuse of alcohol. An arrest must be substantiated by supporting documentation of criminal activity. A conviction will be given more weight than an arrest. The PHA will also consider evidence from treatment providers or community-based organizations providing services to household members.

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

### **3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ADMISSION**

HUD permits, but does not require the PHA to deny admission for the reasons discussed in this section.

#### **Criminal Activity [24 CFR 960.203(c)]**

The PHA is responsible for screening family behavior and suitability for tenancy. In doing so, the PHA may consider an applicant's history of criminal activity involving crimes of physical violence to persons or property and other criminal acts which would adversely affect the health, safety, or welfare of other tenants.

##### HACSA Policy

If any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past five years, the family may be denied admission.

*Drug-related criminal activity*, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100].

*Violent criminal activity*, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100].

Criminal activity that may threaten the health, safety, or welfare of other tenants [24 CFR 960.203(c)(3)].

Criminal activity that may threaten the health or safety of PHA staff, contractors, subcontractors, or agents.

Criminal sexual conduct, including but not limited to sexual assault, incest, open and gross lewdness, or child abuse.

Evidence of such criminal activity includes, but is not limited to any record of convictions, arrests, or evictions for suspected drug-related or violent criminal activity of household members within the past 5 years. A conviction for such activity will be given more weight than an arrest or an eviction.

In making its decision to deny assistance, the PHA will consider the factors discussed in Sections 3-III.E and 3-III.F. Upon consideration of such factors, the PHA may, on a case-by-case basis, decide not to deny assistance.

## **Previous Behavior [960.203(c) and (d) and PH Occ GB, p. 48]**

HUD authorizes the PHA to deny admission based on relevant information pertaining to the family's previous behavior and suitability for tenancy.

In the event of the receipt of unfavorable information with respect to an applicant, the PHA must consider the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). As discussed in Section 3-III.F, the PHA may also need to consider whether the cause of the unfavorable information may be that the applicant is the victim of domestic violence, dating violence, sexual assault, or stalking.

### HACSA Policy

HACSA will deny admission to an applicant family if HACSA determines that the family:

Has a pattern of unsuitable past performance in meeting financial obligations, including rent within the past three years

Has a pattern of disturbance of neighbors, destruction of property, or living or housekeeping habits at prior residences within the past three years which may adversely affect the health, safety, or welfare of other tenants

Has a pattern of eviction from housing or termination from residential programs within the past three years (considering relevant circumstances)

Owes rent or other amounts to this or any other PHA or owner in connection with any assisted housing program

Misrepresented or does not provide complete information related to eligibility, including income, award of preferences for admission, expenses, family composition or rent

Has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program

Has engaged in or threatened violent or abusive behavior toward HACSA personnel

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

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

In making its decision to deny admission, HACSA will consider the factors discussed in Sections 3-III.E and 3-III.F. Upon consideration of such factors, HACSA may, on a case-by-case basis, decide not to deny admission.

HACSA will consider the existence of mitigating factors, such as loss of employment or other financial difficulties, before denying admission to an applicant based on the failure to meet prior financial obligations.

### **3-III.D. SCREENING**

#### **Screening for Eligibility**

PHAs are authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the public housing program. This authority assists the PHA in complying with HUD requirements and PHA policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records the PHA must require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].

The PHA may not pass along to the applicant the costs of a criminal records check [24 CFR 960.204(d)].

#### HACSA Policy

HACSA will perform criminal background checks through local law enforcement for all adult household members.

If the results of the criminal background check indicate there may have been past criminal activity, but the results are inconclusive, or if the applicant resided outside of the state of Oregon, HACSA may request a fingerprint electronically and will request information from the National Crime Information Center (NCIC).

PHAs are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 960.204(a)(4)].

#### HACSA Policy

HACSA will use the Oregon State Police Law Enforcement Data System (LEDS) database and court records to screen applicants for admission.

Additionally, PHAs must ask whether the applicant, or any member of the applicant's household, is subject to a lifetime registered sex offender registration requirement in any state [Notice PIH 2012-28].

If the PHA proposes to deny admission based on a criminal record or on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the applicant a summary of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission [24 CFR 5.903(f) and 5.905(d)].

### ***Obtaining Information from Drug Treatment Facilities [24 CFR 960.205]***

HUD authorizes PHAs to request and obtain information from drug abuse treatment facilities concerning applicants. Specifically, the PHA may require each applicant to submit for all household members who are at least 18 years of age, and for each family head, spouse, or cohead regardless of age, one or more consent forms signed by such household members that requests any drug abuse treatment facility to inform the PHA whether the drug abuse treatment facility has reasonable cause to believe that the household member is currently engaging in illegal drug use.

*Drug Abuse Treatment Facility* means an entity that holds itself out as providing, and provides, diagnosis, treatment, or referral for treatment with respect to the illegal drug use, and is either an identified unit within a general care facility, or an entity other than a general medical care facility.

*Currently engaging in illegal use of a drug* means illegal use of a drug that occurred recently enough to justify a reasonable belief that there is continuing illegal drug use by a household member.

Any consent form used for the purpose of obtaining information from a drug abuse treatment facility to determine whether a household member is currently engaging in illegal drug use must expire automatically after the PHA has made a final decision to either approve or deny the admission of such person.

Any charges incurred by the PHA for information provided from a drug abuse treatment facility may not be passed on to the applicant or tenant.

If the PHA chooses to obtain such information from drug abuse treatment facilities, it must adopt and implement one of the two following policies:

Policy A: The PHA must submit a request for information to a drug abuse treatment facility for all families before they are admitted. The request must be submitted for each proposed household member who is at least 18 years of age, and for each family head, spouse, or cohead regardless of age.

Policy B: The PHA must submit a request for information only for certain household members, whose criminal record indicates prior arrests or conviction for any criminal activity that may be a basis for denial of admission or whose prior tenancy records indicate that the proposed household member engaged in destruction of property or violent activity against another person, or they interfered with the right of peaceful enjoyment of the premises of other residents.

If the PHA chooses to obtain such information, it must abide by the HUD requirements for records management and confidentiality as described in 24 CFR 960.205(f).

#### HACSA Policy

HACSA may obtain information from drug abuse treatment facilities to determine whether any applicant family's household members are currently engaging in illegal drug activity only when HACSA has determined that the family will be denied admission based on a family member's drug-related criminal activity, and the family claims that the culpable family member has successfully completed a supervised drug or alcohol rehabilitation program.

## **Screening for Suitability as a Tenant [24 CFR 960.203(c)]**

The PHA is responsible for the screening and selection of families to occupy public housing units. The PHA may consider all relevant information. Screening is important to public housing communities and program integrity, and to ensure that assisted housing is provided to those families that will adhere to lease obligations.

### HACSA Policy

HACSA will consider the family's history with respect to the following factors:

Payment of rent and utilities

Caring for a unit and premises

Respecting the rights of other residents to the peaceful enjoyment of their housing

Criminal activity that is a threat to the health, safety, or property of others

Behavior of all household members as related to the grounds for denial as detailed in Sections 3-III. B and C

Compliance with any other essential conditions of tenancy

## **Resources Used to Check Applicant Suitability [PH Occ GB, pp. 47-56]**

PHAs have a variety of resources available to them for determination of the suitability of applicants. Generally, PHAs should reject applicants who have recent behavior that would warrant lease termination for a public housing resident.

### HACSA Policy

In order to determine the suitability of applicants HACSA will examine applicant history up to the past three years. Such background checks may include:

#### *Past Performance in Meeting Financial Obligations, Especially Rent*

PHA and landlord references up to the past three years, gathering information about past performance meeting rental obligations such as rent payment record, late payment record, whether the PHA/landlord ever began or completed lease termination for non-payment, and whether utilities were ever disconnected in the unit. PHAs and landlords will be asked if they would rent to the applicant family again.

Utility company references covering the monthly amount of utilities, late payment, disconnection, return of a utility deposit and whether the applicant can get utilities turned on in his/her name. (Use of this inquiry will be reserved for applicants applying for units where there are tenant-paid utilities.)

If an applicant has no rental payment history HACSA may check court records of eviction actions and other financial judgments, and credit reports. A lack of credit history will not disqualify someone from becoming a public housing resident, but a poor credit rating may.

Applicants with no rental payment history will also be asked to provide HACSA with alternative references. The references will be requested to complete a verification of the applicant's ability to pay rent if no other documentation of ability to meet financial obligations is available.

If previous landlords or the utility company do not respond to requests from HACSA, the applicant may provide other documentation that demonstrates their ability to meet financial obligations (e.g. rent receipts, cancelled checks, etc.)

*Disturbances of Neighbors, Destruction of Property or Living or Housekeeping Habits at Prior Residences that May Adversely Affect Health, Safety, or Welfare of Other Tenants, or Cause Damage to the Unit or the Development*

PHA and landlord references up to the past three years, gathering information on whether the applicant kept a unit clean, safe and sanitary; whether they violated health or safety codes; whether any damage was done by the applicant to a current or previous unit or the development, and, if so, how much the repair of the damage cost; whether the applicant's housekeeping caused insect or rodent infestation; pet damage; and whether the neighbors complained about the applicant or whether the police were ever called because of disturbances.

Police and court records within the past three years may be used to check for any evidence of disturbance of neighbors or destruction of property that might have resulted in arrest or conviction.

An alternative references will be requested to complete a verification of the applicant's ability to care for the unit and avoid disturbing neighbors if no other documentation is available.

Home visits may be used to determine the applicant's ability to care for the unit.

### **3-III.E. CRITERIA FOR DECIDING TO DENY ADMISSION**

#### **Evidence**

##### HACSA Policy

HACSA will use the preponderance of the evidence as the standard for making all admission decisions.

*Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

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

#### **Consideration of Circumstances [24 CFR 960.203(c)(3) and (d)]**

HUD authorizes the PHA to consider all relevant circumstances when deciding whether to deny admission based on a family's past history except in the situations for which denial of admission is mandated (see Section 3-III.B).

In the event the PHA receives unfavorable information with respect to an applicant, consideration must be given to the time, nature, and extent of the applicant's conduct (including the seriousness of the offense). In a manner consistent with its policies, PHAs may give consideration to factors which might indicate a reasonable probability of favorable future conduct.

## HACSA Policy

HACSA will consider the following factors prior to making its decision:

The seriousness of the case, especially with respect to how it would affect other residents

The effects that denial of admission may have on other members of the family who were not involved in the action or failure

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in section 3-III.F) a victim of domestic violence, dating violence, sexual assault, or stalking

The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future

Evidence of the applicant family's participation in or willingness to participate in social service or other appropriate counseling service programs

In the case of drug or alcohol abuse, whether the culpable household member has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

HACSA will require the applicant to submit evidence of the household member's successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

## **Removal of a Family Member's Name from the Application**

Should the PHA's screening process reveal that an applicant's household includes an individual subject to state lifetime registered sex offender, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must deny admission to the family [Notice PIH 2012-28].

For other criminal activity, the PHA may permit the family to exclude the culpable family members as a condition of eligibility. [24 CFR 960.203(c)(3)(i)].

### HACSA Policy

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

At or after admission to the program, the family must present evidence of the former family member's current address upon HACSA request.

## **Reasonable Accommodation [PH Occ GB, pp. 58-60]**

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

### HACSA Policy

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

### **3-III.F. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

The Violence against Women Act of 2013 (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit PHAs from denying admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

Definitions of key terms used in VAWA are provided in section 16-VII of this ACOP, where general VAWA requirements and policies pertaining to notification, documentation, and confidentiality are also located.

#### **Notification**

VAWA 2013 expanded notification requirements to include the obligation for PHAs to provide applicants who are denied assistance with a notice of VAWA rights and the form HUD-50066 at the time the applicant is denied.

##### HACSA Policy

HACSA acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under the HACSA's policies. Therefore, if HACSA makes a determination to deny admission to an applicant family, HACSA will include in its notice of denial information about the protection against denial provided by VAWA in accordance with section 16-VII.C of this ACOP, a notice of VAWA rights, and a copy of the form HUD-50066. HACSA will request in writing that an applicant wishing to claim this protection must notify HACSA within 14 calendar days.

#### **Documentation**

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

##### HACSA Policy

If an applicant claims the protection against denial of admission that VAWA provides to victims of domestic violence, dating violence, sexual assault, or stalking, HACSA will request in writing that the applicant provide documentation supporting the claim in accordance with section 16-VII.D of this ACOP.

## ***Perpetrator Documentation***

### HACSA Policy

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

A signed statement (1) requesting that the perpetrator be removed from the application and (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the public housing unit.

If the perpetrator of the abuse is a member of the applicant family, and the applicant wishes to allow the perpetrator to remain in the household, or wishes the perpetrator to visit or stay as a guest, the applicant must provide additional documentation consisting of the following:

Documentation verifying that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

HACSA retains the authority to deny the family based on actions of one household member; as articulated previously.

## **3-III.G. NOTICE OF ELIGIBILITY OR DENIAL**

The PHA will notify an applicant family of its final determination of eligibility in accordance with the policies in Section 4-III.E.

If a PHA uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the PHA can move to deny the application. In addition, a copy of the record must be provided to the subject of the record [24 CFR 5.903(f) and 5.905(d)].

### HACSA Policy

If, based on a criminal record or sex offender registration information an applicant family appears to be ineligible, HACSA will notify the family in writing of the proposed denial and provide a summary of the record to the applicant and to the subject of the record. The family will be given 14 calendar days to dispute the accuracy and relevance of the information. If the family does not contact HACSA to dispute the information within that 14 day period, HACSA will proceed with issuing the notice of denial of admission. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal hearing process.

Notice requirements related to denying admission to noncitizens are contained in Section 3-II.B.

Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, sexual assault, or stalking are contained in Section 3-III.F.

## EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

### Person with Disabilities [24 CFR 5.403]

The term *person with disabilities* means a person who has any of the following types of conditions.

- Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:

Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.
- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:

(A) IN GENERAL – The term *developmental disability* means a severe, chronic disability of an individual that-

  - (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
  - (ii) is manifested before the individual attains age 22;
  - (iii) is likely to continue indefinitely;
  - (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) self-care, (II) receptive and expressive language, (III) learning, (IV) mobility, (V) self-direction, (VI) capacity for independent living, (VII) economic self-sufficiency; and
  - (v) reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(B) INFANTS AND YOUNG CHILDREN – An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.
- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

### **Individual with Handicaps [24 CFR 8.3]**

*Individual with handicaps* means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

(1) Physical or mental impairment includes:

- (a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine
- (b) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

(2) Major life activities means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

(3) Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

(4) Is regarded as having an impairment means:

- (a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation
- (b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment
- (c) Has none of the impairments defined in paragraph (a) of this section but is treated by a recipient as having such an impairment

## Chapter 4

### APPLICATIONS, WAITING LIST AND TENANT SELECTION

#### INTRODUCTION

When a family wishes to reside in public housing, the family must submit an application that provides the PHA with the information needed to determine the family's eligibility. HUD requires the PHA to place all eligible families that apply for public housing on a waiting list. When a unit becomes available, the PHA must select families from the waiting list in accordance with HUD requirements and PHA policies as stated in its Admissions and Continued Occupancy Policy (ACOP) and its annual plan.

The PHA is required to adopt a clear approach to accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow this approach consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the PHA to receive preferential treatment.

HUD regulations require that the PHA comply with all equal opportunity requirements and it must affirmatively further fair housing goals in the administration of the program [24 CFR 960.103, PH Occ GB p. 13]. Adherence to the selection policies described in this chapter ensures that the PHA will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and PHA policies for accepting applications, managing the waiting list and selecting families from the waiting list. The PHA's policies for assigning unit size and making unit offers are contained in Chapter 5. Together, Chapters 4 and 5 of the ACOP comprise the PHA's Tenant Selection and Assignment Plan (TSAP).

The policies outlined in this chapter are organized into three sections, as follows:

Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the PHA will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the PHA's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for public housing. It also discusses the process the PHA will use to keep the waiting list current.

Part III: Tenant Selection. This part describes the policies that guide the PHA in selecting families from the waiting list as units become available. It also specifies how in-person interviews will be used to ensure that the PHA has the information needed to make a final eligibility determination.



## **PART I: THE APPLICATION PROCESS**

### **4-I.A. OVERVIEW**

This part describes the policies that guide the PHA's efforts to distribute and accept applications, and to make preliminary determinations of applicant family eligibility that affect placement of the family on the waiting list. This part also describes the PHA's obligation to ensure the accessibility of the application process.

### **4-I.B. APPLYING FOR ASSISTANCE**

Any family that wishes to reside in public housing must apply for admission to the program [24 CFR 1.4(b)(2)(ii), 24 CFR 960.202(a)(2)(iv), and PH Occ GB, p. 68]. HUD permits the PHA to determine the format and content of its applications, as well how such applications will be made available to interested families and how applications will be accepted by the PHA. However, the PHA must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the PHA's application [Notice PIH 2009-36].

#### HACSA Policy

Depending upon the length of time between the date of application and the availability of housing, HACSA may use a one or two-step application process.

A one-step process will be used when it is expected that a family will be selected from the waiting list within 60 days of the date of application. At application, the family must provide all of the information necessary to establish family eligibility and the amount of rent the family will pay.

A two-step process will be used when it is expected that a family will not be selected from the waiting list for at least 60 days from the date of application. Under the two-step application process, HACSA initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and the amount of rent the family will pay when selected from the waiting list.

Families may obtain application forms from HACSA's office during normal business hours. Pre-applications may also be downloaded from HACSA's website at [www.hacsa.org](http://www.hacsa.org). Families may also request – by telephone or by mail – an application form be sent to the family via first class mail. Completed applications must be returned to HACSA by mail, by fax, submitted in person during normal business hours, or submitted electronically. Applications must be filled out completely in order to be accepted by HACSA for processing. If an application is incomplete, HACSA will notify the family of the additional information required.

#### **4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS**

The PHA must take a variety of steps to ensure that the application process is accessible to those people who might have difficulty complying with the standard PHA application process.

##### **Disabled Populations [24 CFR 8; PH Occ GB, p. 68]**

The PHA must provide reasonable accommodation as needed for persons with disabilities to make the application process fully accessible. The facility where applications are accepted and the application process must be fully accessible or the PHA must provide an alternate approach that provides equal access to the program. Chapter 2 provides a full discussion of the PHA's policies related to providing reasonable accommodations for people with disabilities.

##### **Limited English Proficiency**

PHAs are required to take reasonable steps to ensure meaningful access to their programs and activities by persons with limited English proficiency [24 CFR 1]. Chapter 2 provides a full discussion on the PHA's policies related to ensuring access to people with limited English proficiency (LEP).

#### **4-I.D. PLACEMENT ON THE WAITING LIST**

The PHA must review each completed application received and make a preliminary assessment of the family's eligibility. Applicants for whom the waiting list is open must be placed on the waiting list unless the PHA determines the family to be ineligible. Where the family is determined to be ineligible, the PHA must notify the family in writing [24 CFR 960.208(a); PH Occ GB, p. 41].

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list.

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

##### HACSA Policy

When a family is determined to be ineligible, HACSA will send written notification of the ineligibility determination within 14 calendar days of receipt of the completed application. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal hearing and explain the process for doing so (see Chapter 14).

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

##### HACSA Policy

HACSA will send written notification of the preliminary eligibility determination within 14 calendar days of receiving a completed pre-application. If applicable, the notice will also indicate the waiting list preference(s) for which the family appears to qualify.

Applicants will be placed on the waiting list according to HACSA preference(s) and the date and time their complete application is received by HACSA.

HACSA will assign families on the waiting list according to the bedroom size for which a family qualifies as established in its occupancy standards (see Chapter 5). Families may request to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines (as long as the unit is not overcrowded according to HACSA standards and local codes). However, in these cases, the family must agree not to request a transfer for two years after admission, unless they have a change in family size or composition.

Placement on the waiting list does not indicate that the family is, in fact, eligible for admission. When the family is selected from the waiting list, HACSA will verify any preference(s) claimed and determine eligibility and suitability for admission to the program.



## **PART II: MANAGING THE WAITING LIST**

### **4-II.A. OVERVIEW**

The PHA must have policies regarding the type of waiting list it will utilize as well as how the waiting list will be organized and managed. This includes policies on notifying the public on the opening and closing of the waiting list to new applicants, updating family information, purging the list of families that are no longer interested in or eligible for public housing, and conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how the PHA may structure its waiting list and how families must be treated if they apply for public housing at a PHA that administers more than one assisted housing program.

### **4-II.B. ORGANIZATION OF THE WAITING LIST**

The PHA's public housing waiting list must be organized in such a manner to allow the PHA to accurately identify and select families in the proper order, according to the admissions policies described in this ACOP.

#### HACSA Policy

The waiting list will contain the following information for each applicant listed:

Name and social security number of head of household

Unit size required (number of family members)

Amount and source of annual income

Accessibility requirement, if any

Date and time of application or application number

Household type (family, elderly, disabled)

Admission preference, if any

Race and ethnicity of the head of household

The specific site(s) selected (only if PHA offers site-based waiting lists)

The PHA may adopt one community-wide waiting list or site-based waiting lists. The PHA must obtain approval from HUD through submission of its Annual Plan before it may offer site-based waiting lists. Site-based waiting lists allow families to select the development where they wish to reside and must be consistent with all applicable civil rights and fair housing laws and regulations [24 CFR 903.7(b)(2)].

HACSA Policy

HACSA will adopt site-based waiting lists upon approval of HACSA's 2016 Annual Plan. Applicants may choose to apply for any and all developments for which the waiting list is open.

HUD requires that public housing applicants must be offered the opportunity to be placed on the waiting list for any tenant-based or project-based voucher or moderate rehabilitation program that the PHA operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs [24 CFR 982.205(a)(2)(i)].

HUD permits, but does not require, that PHAs maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs [24 CFR 982.205(a)(1)].

HACSA Policy

HACSA will not merge the public housing waiting list with the waiting list for any other program the PHA operates.

## **4-II.C. OPENING AND CLOSING THE WAITING LIST**

### **Closing the Waiting List**

The PHA is permitted to close the waiting list, in whole or in part, if it has an adequate pool of families to fully lease units in all of its developments. The PHA may close the waiting list completely, or restrict intake by preference, type of project, or by size and type of dwelling unit. [PH Occ GB, p. 31].

#### HACSA Policy

HACSA may close the waiting list when the estimated waiting period for a development reaches 12 months or more for the most current applicants. Where HACSA has particular preferences or other criteria that require a specific category of family, HACSA may elect to continue to accept applications from these applicants while closing the waiting list to others.

### **Reopening the Waiting List**

If the waiting list has been closed, it may be reopened at any time. The PHA should publish a notice announcing the opening of the waiting list in local newspapers of general circulation, minority media, and other suitable media outlets. Such notice must comply with HUD fair housing requirements. The PHA should specify who may apply, and where and when applications will be received.

#### HACSA Policy

HACSA will announce the reopening of the waiting list at least 14 calendar days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice. The notice will specify where, when, and how applications are to be received.

HACSA will give public notice by publishing, in print or electronically suitable media outlets or community agencies.

#### **4-II.D. FAMILY OUTREACH [24 CFR 903.2(d); 24 CFR 903.7(a) and (b)]**

The PHA should conduct outreach as necessary to ensure that the PHA has a sufficient number of applicants on the waiting list to fill anticipated vacancies and to assure that the PHA is affirmatively furthering fair housing and complying with the Fair Housing Act.

Because HUD requires the PHA to admit a specified percentage of extremely low income families, the PHA may need to conduct special outreach to ensure that an adequate number of such families apply for public housing.

PHA outreach efforts must comply with fair housing requirements. This includes:

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

PHA outreach efforts must be designed to inform qualified families about the availability of units under the program. These efforts may include, as needed, any of the following activities:

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

##### HACSA Policy

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

#### **4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES**

##### HACSA Policy

While the family is on the waiting list, the family must inform HACSA, within 14 calendar days, of changes in family size or composition, preference status, or contact information, including current residence, mailing address, and phone number.

Changes in an applicant's circumstances while on the waiting list may affect the family's qualification for a particular bedroom size or entitlement to a preference. When an applicant reports a change that affects their placement on the waiting list, the waiting list will be updated accordingly.

#### **4-II.F. UPDATING THE WAITING LIST**

HUD requires the PHA to establish policies that describe the circumstances under which applicants will be removed from the waiting list [24 CFR 960.202(a)(2)(iv)].

##### **Purging the Waiting List**

The decision to remove an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to the PHA's request for information or updates because of the family member's disability, the PHA must, upon the family's request, reinstate the applicant family to their former position on the waiting list as a reasonable accommodation [24 CFR 8.4(a), 24 CFR 100.204(a), and PH Occ GB, p. 39 and 40]. See Chapter 2 for further information regarding reasonable accommodations.

##### HACSA Policy

The waiting list will be updated as needed to ensure that all applicant information is current and timely.

To update the waiting list, HACSA will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that HACSA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.

The family's response may be delivered in person, by mail, electronically or by fax. Responses should be postmarked or received by HACSA not later than 14 calendar days from the date of the HACSA letter.

If the family fails to respond within 14 calendar days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office with no forwarding address, the applicant will be removed from the waiting list without further notice.

If the notice is returned by the post office with a forwarding address, the notice will be re-sent to the address indicated. The family will have 14 calendar days to respond from the date the letter was re-sent. If the family fails to respond within this time frame, the family will be removed from the waiting list without further notice.

When a family is removed from the waiting list during the update process for failure to respond, no informal hearing will be offered. Such failures to act on the part of the applicant prevent HACSA from making an eligibility determination; therefore no informal hearing is required.

If a family is removed from the waiting list for failure to respond, HACSA may reinstate the family if the lack of response was due HACSA error, or to circumstances beyond the family's control.

## **Removal from the Waiting List**

### HACSA Policy

HACSA will remove an applicant from the waiting list upon request by the applicant family. In such cases no informal hearing is required.

If the applicant does not provide, within the time stated on the HACSA letter, required documentation necessary for HACSA to determine eligibility, and HACSA therefore is unable to determine eligibility, the applicant will be removed from the waiting list without further notice.

If HACSA determines that the family is not eligible for admission (see Chapter 3) at any time while the family is on the waiting list the family will be removed from the waiting list.

If a family is removed from the waiting list because HACSA has determined the family is not eligible for admission, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal hearing regarding HACSA's decision (see Chapter 14) [24 CFR 960.208(a)].



## **PART III: TENANT SELECTION**

### **4-III.A. OVERVIEW**

The PHA must establish tenant selection policies for families being admitted to public housing [24 CFR 960.201(a)]. The PHA must not require any specific income or racial quotas for any developments [24 CFR 903.2(d)]. The PHA must not assign persons to a particular section of a community or to a development or building based on race, color, religion, sex, disability, familial status or national origin for purposes of segregating populations [24 CFR 1.4(b)(1)(iii) and 24 CFR 903.2(d)(1)].

The order in which families will be selected from the waiting list depends on the selection method chosen by the PHA and is impacted in part by any selection preferences that the family qualifies for. The availability of units also may affect the order in which families are selected from the waiting list.

The PHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the PHA's selection policies [24 CFR 960.206(e)(2)]. The PHA's policies must be posted any place where the PHA receives applications. The PHA must provide a copy of its tenant selection policies upon request to any applicant or tenant. The PHA may charge the family for providing a copy of its tenant selection policies [24 CFR 960.202(c)(2)].

#### HACSA Policy

When an applicant or resident family requests a copy of HACSA's tenant selection policies, HACSA will provide copies to them free of charge.

#### **4-III.B. SELECTION METHOD**

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use.

##### **Local Preferences [24 CFR 960.206]**

PHAs are permitted to establish local preferences and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the PHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources [24 CFR 960.206(a)].

##### HACSA Policy

The PHA will use the following local preference system:

The following preferences are both worth 10 points. A resident who qualifies for one of the preferences below, will need to complete a new application and will receive the 10 preference points. If the resident qualifies for both preferences they will receive only 10 points.

Victims of domestic violence, dating violence, sexual assault or stalking living in Section 8 properties managed by HACSA whose situation requires moving out of the current unit.

Persons with disabilities needing an accessible unit or a reasonable accommodation living in Section 8 properties managed by HACSA who cannot be reasonably accommodated in those properties.

##### **Income Targeting Requirement [24 CFR 960.202(b)]**

HUD requires that extremely low-income (ELI) families make up at least 40 percent of the families admitted to public housing during the PHA's fiscal year. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher [*Federal Register* notice 6/25/14]. To ensure this requirement is met, the PHA may skip non-ELI families on the waiting list in order to select an ELI family.

If a PHA also operates a housing choice voucher (HCV) program, admissions of extremely low-income families to the PHA's HCV program during a PHA fiscal year that exceed the 75 percent minimum target requirement for the voucher program, shall be credited against the PHA's basic targeting requirement in the public housing program for the same fiscal year. However, under these circumstances the fiscal year credit to the public housing program must not exceed the lower of: (1) ten percent of public housing waiting list admissions during the PHA fiscal year; (2) ten percent of waiting list admissions to the PHA's housing choice voucher program during the PHA fiscal year; or (3) the number of qualifying low-income families who commence occupancy during the fiscal year of PHA public housing units located in census tracts with a poverty rate of 30 percent or more. For this purpose, qualifying low-income family means a low-income family other than an extremely low-income family.

### HACSA Policy

HACSA will monitor progress in meeting the ELI requirement annually. ELI families will be selected ahead of other eligible families on an as-needed basis to ensure that the income targeting requirement is met.

### **Mixed Population Developments [24 CFR 960.407]**

A mixed population development is a public housing development or portion of a development that was reserved for elderly families and disabled families at its inception (and has retained that character) or the PHA at some point after its inception obtained HUD approval to give preference in tenant selection for all units in the development (or portion of a development) to elderly and disabled families [24 CFR 960.102]. Elderly family means a family whose head, spouse, cohead, or sole member is a person who is at least 62 years of age. Disabled family means a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403]. The PHA must give elderly and disabled families equal preference in selecting these families for admission to mixed population developments. The PHA may not establish a limit on the number of elderly or disabled families that may occupy a mixed population development. In selecting elderly and disabled families to fill these units, the PHA must first offer the units that have accessibility features for families that include a person with a disability and require the accessibility features of such units. The PHA may not discriminate against elderly or disabled families that include children (Fair Housing Amendments Act of 1988).

### **Units Designated for Elderly or Disabled Families [24 CFR 945]**

The PHA may designate projects or portions of a public housing project specifically for elderly or disabled families. The PHA must have a HUD-approved allocation plan before the designation may take place.

Among the designated developments, the PHA must also apply any preferences that it has established. If there are not enough elderly families to occupy the units in a designated elderly development, the PHA may allow near-elderly families to occupy the units [24 CFR 945.303(c)(1)]. Near-elderly family means a family whose head, spouse, or cohead is at least 50 years old, but is less than 62 [24 CFR 5.403].

If there are an insufficient number of elderly families and near-elderly families for the units in a development designated for elderly families, the PHA must make available to all other families any unit that is ready for re-rental and has been vacant for more than 60 consecutive days [24 CFR 945.303(c)(2)].

The decision of any disabled family or elderly family not to occupy or accept occupancy in designated housing shall not have an adverse affect on their admission or continued occupancy in public housing or their position on or placement on the waiting list. However, this protection does not apply to any family who refuses to occupy or accept occupancy in designated housing because of the race, color, religion, sex, disability, familial status, or national origin of the occupants of the designated housing or the surrounding area [24 CFR 945.303(d)(1) and (2)].

This protection does apply to an elderly family or disabled family that declines to accept occupancy, respectively, in a designated project for elderly families or for disabled families, and requests occupancy in a general occupancy project or in a mixed population project [24 CFR 945.303(d)(3)].

#### HACSA Policy

HACSA has designated elderly/non-elderly disabled designated housing at this time.

## **Deconcentration of Poverty and Income-Mixing [24 CFR 903.1 and 903.2]**

The PHA's admission policy must be designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. A statement of the PHA's deconcentration policies must be included in its annual plan [24 CFR 903.7(b)].

The PHA's deconcentration policy must comply with its obligation to meet the income targeting requirement [24 CFR 903.2(c)(5)].

Developments subject to the deconcentration requirement are referred to as 'covered developments' and include general occupancy (family) public housing developments. The following developments are not subject to deconcentration and income mixing requirements: developments operated by a PHA with fewer than 100 public housing units; mixed population or developments designated specifically for elderly or disabled families; developments operated by a PHA with only one general occupancy development; developments approved for demolition or for conversion to tenant-based public housing; and developments approved for a mixed-finance plan using HOPE VI or public housing funds [24 CFR 903.2(b)].

### ***Steps for Implementation [24 CFR 903.2(c)(1)]***

To implement the statutory requirement to deconcentrate poverty and provide for income mixing in covered developments, the PHA must comply with the following steps:

Step 1. The PHA must determine the average income of all families residing in all the PHA's covered developments. The PHA may use the median income, instead of average income, provided that the PHA includes a written explanation in its annual plan justifying the use of median income.

#### HACSA Policy

HACSA will determine the average income of all families in all covered developments on an annual basis.

Step 2. The PHA must determine the average income (or median income, if median income was used in Step 1) of all families residing in each covered development. In determining average income for each development, the PHA has the option of adjusting its income analysis for unit size in accordance with procedures prescribed by HUD.

#### HACSA Policy

HACSA will determine the average income of all families residing in each covered development (not adjusting for unit size) on an annual basis.

Step 3. The PHA must then determine whether each of its covered developments falls above, within, or below the established income range (EIR), which is from 85% to 115% of the average family income determined in Step 1. However, the upper limit must never be less than the income at which a family would be defined as an extremely low-income family (federal poverty level or 30 percent of median income, whichever number is higher).

Step 4. The PHA with covered developments having average incomes outside the EIR must then determine whether or not these developments are consistent with its local goals and annual plan.

Step 5. Where the income profile for a covered development is not explained or justified in the annual plan submission, the PHA must include in its admission policy its specific policy to provide for deconcentration of poverty and income mixing.

Depending on local circumstances the PHA's deconcentration policy may include, but is not limited to the following:

- Providing incentives to encourage families to accept units in developments where their income level is needed, including rent incentives, affirmative marketing plans, or added amenities
- Targeting investment and capital improvements toward developments with an average income below the EIR to encourage families with incomes above the EIR to accept units in those developments
- Establishing a preference for admission of working families in developments below the EIR
- Skipping a family on the waiting list to reach another family in an effort to further the goals of deconcentration
- Providing other strategies permitted by statute and determined by the PHA in consultation with the residents and the community through the annual plan process to be responsive to local needs and PHA strategic objectives

A family has the sole discretion whether to accept an offer of a unit made under the PHA's deconcentration policy. The PHA must not take any adverse action toward any eligible family for choosing not to accept an offer of a unit under the PHA's deconcentration policy [24 CFR 903.2(c)(4)].

If, at annual review, the average incomes at all general occupancy developments are within the EIR, the PHA will be considered to be in compliance with the deconcentration requirement and no further action is required.

#### HACSA Policy

For developments outside the EIR HACSA will take the following actions to provide for deconcentration of poverty and income mixing:

Existing features and adding incentives and marketing to attract higher income families to lower income developments, to include, but not be limited to:

Family choice annually between income-based and flat rent

Community collaborations

Self-sufficiency programs and partnerships

Rent incentive(s)

## **Order of Selection [24 CFR 960.206(e)]**

The PHA system of preferences may select families either according to the date and time of application or by a random selection process.

### HACSA Policy

Families will be selected from the waiting list based date and time of application and preference. Among applicants with the same preference, families will be selected on a first-come, first-served basis according to the date and time their complete application is received by HACSA.

When selecting applicants from the waiting list, HACSA will match the characteristics of the available unit (unit size, accessibility features, unit type) to the applicants on the waiting lists. HACSA will offer the unit to the highest ranking applicant who qualifies for that unit size or type, or that requires the accessibility features.

By matching unit and family characteristics, it is possible that families who are lower on the waiting list may receive an offer of housing ahead of families with an earlier date and time of application or higher preference status.

Income targeting will also be considered in accordance with HUD requirements and HACSA policy.

#### **4-III.C. NOTIFICATION OF SELECTION**

When the family has been selected from the waiting list, the PHA must notify the family [24 CFR 960.208].

##### HACSA Policy

HACSA will initially notify the family by phone or in writing. HACSA will inquire whether the family is still interested in moving into public housing.

Families indicating an interest in public housing will be sent an application packet, to be completed and returned in 14 calendar days. The application packet will inform the family of:

Documents that must be provided at the interview to document the legal identity of household members, including information about what constitutes acceptable documentation

Documents that must be provided at the interview to document eligibility for a preference, if applicable

Other documents and information to be returned to HACSA

If a notification letter is returned to HACSA with no forwarding address, the family will be removed from the waiting list without further notice. Such failure to act on the part of the applicant prevents HACSA from making an eligibility determination; therefore no informal hearing will be offered.

#### **4-III.D. THE INTAKE INTERVIEW**

HUD recommends that the PHA obtain the information and documentation needed to make an eligibility determination through a private interview. Being invited to attend an interview does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if the PHA determines that an applicant family is otherwise eligible to participate in the program, the family may retain its place on the waiting list for a period of time determined by the PHA [Notice PIH 2012-10].

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability [24 CFR 8.4(a) and 24 CFR 100.204(a)].

##### HACSA Policy

Families selected from the waiting list are required to participate in an intake interview.

All adult family members must attend the interview.

All household members provide appropriate documentation of legal identity (Chapter 7 provides a discussion of proper documentation of legal identity). If the family does not provide the required documentation in a timely manner, per HACSA notice, the appointment may be rescheduled when the proper documents have been obtained.

Pending disclosure and documentation of social security numbers, HACSA will allow the family to retain its place on the waiting list for 60 days. If not all household members have disclosed their SSNs at the next time a unit becomes available, HACSA will offer a unit to the next eligible applicant family on the waiting list.

If the family is claiming a waiting list preference, the family must provide documentation to verify their eligibility for a preference (see Chapter 7). If the family is verified as eligible for the preference, HACSA will proceed with the interview. If HACSA determines the family is not eligible for the preference, the interview will not proceed and the family will be placed back on the waiting list according to the date and time of their application.

The family must provide the information necessary to establish the family's eligibility, including suitability, and to determine the appropriate amount of rent the family will pay. The family must also complete required forms, provide required signatures, and submit required documentation. If any materials are missing, HACSA will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide at the interview must be provided within 14 calendar days of the interview (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of Social Security numbers and eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (see Chapter 3).

An advocate, interpreter, or other assistant may assist the family with the application and the interview process.

Interviews will be conducted in English. For Limited English Proficient (LEP) applicants, HACSA will provide interpretation services in accordance with HACSA's LEP plan.

If the family is unable to attend a scheduled interview, the family should contact HACSA in advance of the interview to schedule a new appointment. In all circumstances, if a family does not attend a scheduled interview, HACSA will contact the family with a new interview appointment time. Applicants who fail to attend two scheduled interviews without HACSA approval will have their applications made withdrawn based on the family's failure to supply information needed to determine eligibility. The second appointment contact will state that failure to appear for the appointment without a request to reschedule will be interpreted to mean that the family is no longer interested and their application will be withdrawn. Such failure to act on the part of the applicant prevents HACSA from making an eligibility determination; therefore HACSA will not offer an informal hearing.

#### **4-III.E. FINAL ELIGIBILITY DETERMINATION [24 CFR 960.208]**

The PHA must verify all information provided by the family (see Chapter 7). Based on verified information related to the eligibility requirements, including PHA suitability standards, the PHA must make a final determination of eligibility (see Chapter 3).

When a determination is made that a family is eligible and satisfies all requirements for admission, including tenant selection criteria, the applicant must be notified of the approximate date of occupancy insofar as that date can be reasonably determined [24 CFR 960.208(b)].

##### HACSA Policy

HACSA will notify a family of their eligibility within 14 calendar days of the determination and will provide the approximate date of occupancy insofar as that date can be reasonably determined.

The PHA must promptly notify any family determined to be ineligible for admission of the basis for such determination, and must provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination [24 CFR 960.208(a)].

##### HACSA Policy

If HACSA determines that the family is ineligible, HACSA will send written notification of the ineligibility determination within 14 calendar days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal hearing (see Chapter 14).

If the PHA uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a summary of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the PHA can move to deny the application. See Section 3-III.G for the PHA's policy regarding such circumstances.

Upon making an eligibility determination, the PHA must provide the family a notice of VAWA rights as noted in the HUD VAWA self-certification form (form HUD-50066) in accordance with the Violence against Women Act of 2013, and as outlined in 16-VII.C. The notice and self-certification form must accompany the written notification of eligibility determination. This notice must be provided in both of the following instances: (1) when a family is notified of its eligibility; or (2) when a family is notified of its ineligibility.

## Chapter 5

### OCCUPANCY STANDARDS AND UNIT OFFERS

#### INTRODUCTION

The PHA must establish policies governing occupancy of dwelling units and offering dwelling units to qualified families.

This chapter contains policies for assigning unit size and making unit offers. The PHA's waiting list and selection policies are contained in Chapter 4. Together, Chapters 4 and 5 of the ACOP comprise the PHA's Tenant Selection and Assignment Plan (TSAP).

Policies in this chapter are organized in two parts.

Part I: Occupancy Standards. This part contains the PHA's standards for determining the appropriate unit size for families of different sizes, compositions, and types.

Part II: Unit Offers. This part contains the PHA's policies for making unit offers, and describes actions to be taken when unit offers are refused.

#### PART I: OCCUPANCY STANDARDS

##### 5-I.A. OVERVIEW

Occupancy standards are established by the PHA to ensure that units are occupied by families of the appropriate size. This policy maintains the maximum usefulness of the units, while preserving them from underutilization or from excessive wear and tear due to overcrowding. Part I of this chapter explains the occupancy standards. These standards describe the methodology and factors the PHA will use to determine the size unit for which a family qualifies, and includes the identification of the minimum and maximum number of household members for each unit size. This part also identifies circumstances under which an exception to the occupancy standards may be approved.

## 5-I.B. DETERMINING UNIT SIZE

In selecting a family to occupy a particular unit, the PHA may match characteristics of the family with the type of unit available, for example, number of bedrooms [24 CFR 960.206(c)].

HUD does not specify the number of persons who may live in public housing units of various sizes. PHAs are permitted to develop appropriate occupancy standards as long as the standards do not have the effect of discriminating against families with children [PH Occ GB, p. 62].

Although the PHA does determine the size of unit the family qualifies for under the occupancy standards, the PHA does not determine who shares a bedroom/sleeping room.

The PHA's occupancy standards for determining unit size must be applied in a manner consistent with fair housing requirements.

### HACSA Policy

HACSA will use the same occupancy standards for each of its developments.

HACSA occupancy standards are as follows:

HACSA will assign one bedroom for each two persons within the household, except in the following circumstances:

Persons of the opposite sex (other than spouses, and children under age 5) will not be required to share a bedroom.

Persons of different generations will not be required to share a bedroom. Different generation is defined as a difference of 8 years or more.

Minors age 16 or more will be assigned their own bedroom.

Live-in aides will be allocated a separate bedroom. No additional bedrooms will be provided for the live-in aide's family.

Single person families will be allocated a zero or one bedroom.

Foster children will be included in determining unit size.

HACSA will reference the following standards in determining the appropriate unit bedroom size for a family:

<b>BEDROOM SIZE</b>	<b>MINIMUM NUMBER OF PERSONS</b>	<b>MAXIMUM NUMBER OF PERSONS</b>
0	1	1
1	1	2
2	2	4
3	3	6
4	4	8

## **5-I.C. EXCEPTIONS TO OCCUPANCY STANDARDS**

### **Types of Exceptions**

#### HACSA Policy

HACSA will consider granting exceptions to the occupancy standards at the family's request if HACSA determines the exception is justified by the relationship, age, sex, health or disability of family members, or other personal circumstances.

For example, an exception may be granted if a larger bedroom size is needed for medical equipment due to its size and/or function, or as a reasonable accommodation for a person with disabilities. An exception may also be granted for a smaller bedroom size in cases where the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides (according to the chart in Section 5-I.B) and the family does not want to transfer to a larger size unit.

When evaluating exception requests HACSA will consider the size and configuration of the unit. In no case will HACSA grant an exception that is in violation of local housing or occupancy codes, regulations or laws.

Requests from applicants to be placed on the waiting list for a unit size smaller than designated by the occupancy standards will be approved as long as the unit is not overcrowded according to local code, and the family agrees not to request a transfer for a period of two years from the date of admission, unless they have a subsequent change in family size or composition.

To prevent vacancies, HACSA may provide an applicant family with a larger unit than the occupancy standards permit. However, in these cases the family must agree to move to a suitable, smaller unit when another family qualifies for the larger unit and there is an appropriate size unit available for the family to transfer to.

### **Processing of Exceptions**

#### HACSA Policy

All requests for exceptions to the occupancy standards must be submitted in writing.

In the case of a request for exception as a reasonable accommodation, HACSA will encourage the resident to make the request in writing using a reasonable accommodation request form. However, HACSA will consider the exception request any time the resident indicates that an accommodation is needed whether or not a formal written request is submitted.

Requests for a larger size unit must explain the need or justification for the larger size unit, and must include appropriate documentation. Requests based on health-related reasons must be verified by a qualified professional source, unless the disability and the disability-related request for accommodation is readily apparent or otherwise known.

HACSA will notify the family of its decision within 14 calendar days of receiving the family's request.



## PART II: UNIT OFFERS

24 CFR 1.4(b)(2)(ii); 24 CFR 960.208

### 5-II.A. OVERVIEW

The PHA must assign eligible applicants to dwelling units in accordance with a plan that is consistent with civil rights and nondiscrimination laws.

In filling an actual or expected vacancy, the PHA must offer the dwelling unit to an applicant in the appropriate offer sequence. The PHA will offer the unit until it is accepted. This section describes the PHA's policies with regard to the number of unit offers that will be made to applicants selected from the waiting list. This section also describes the PHA's policies for offering units with accessibility features.

#### HACSA Policy

HACSA will maintain a record of units offered, including location, date and circumstances of each offer, each acceptance or rejection, including the reason for the rejection.

### 5-II.B. NUMBER OF OFFERS

#### HACSA Policy

HACSA has established a system of site-based waiting lists.

Applicants may choose to apply for any or all site-based locations. The site-based locations consist of:

Eugene	<ul style="list-style-type: none"><li>▪ Maplewood Meadows (general occupancy)</li><li>▪ Parkview Terrace (elderly/disabled)</li><li>▪ Scattered Sites (general occupancy)</li></ul>
Springfield	<ul style="list-style-type: none"><li>▪ McKenzie Village (general occupancy with some units designated elderly/disabled)</li><li>▪ Pengra Court (general occupancy)</li><li>▪ Scattered Sites (general occupancy)</li></ul>
Veneta	<ul style="list-style-type: none"><li>▪ Veneta Villa (elderly/disabled)</li><li>▪ Scattered Sites (general occupancy)</li></ul>
Junction City	<ul style="list-style-type: none"><li>▪ Lindeborg Place (elderly/disabled)</li></ul>
Creswell	<ul style="list-style-type: none"><li>▪ Creswell Villa (elderly/disabled)</li></ul>
Cottage Grove	<ul style="list-style-type: none"><li>▪ Riverview Terrace (elderly/disabled)</li></ul>
Florence	<ul style="list-style-type: none"><li>▪ Laurelwood Homes (general occupancy with some units designated elderly/disabled)</li></ul>

Applicants will receive one offer to a suitable unit in the site-based location indicated by the applicant. If the offer is rejected without good cause, the application for that location will be withdrawn, and the applicant will be offered the next suitable unit that becomes available at another site-based location indicated by the application. The second unit offer will be the final offer, unless there is good cause for refusing the offer.

If more than one unit of the appropriate type and size is available, the first unit to be offered will be the first unit that is ready for occupancy.

- Each applicant gets a maximum of two offers. The two offers will be at different site-based locations.
- HACSA’s record-keeping is limited to the offer made, whether it is accepted or refused, and whether the applicant has good cause for refusal (and is entitled to another offer).

## **5-II.C. TIME LIMIT FOR UNIT OFFER ACCEPTANCE OR REFUSAL**

### HACSA Policy

Applicants must accept or refuse a unit offer within 3 business days of the date of the unit offer.

Offers made by telephone will be confirmed by letter.

## **5-II.D. REFUSALS OF UNIT OFFERS**

### **Good Cause for Unit Refusal**

An elderly or disabled family may decline an offer for designated housing. Such a refusal must not adversely affect the family's position on or placement on the public housing waiting list [24 CFR 945.303(d)].

### HACSA Policy

Applicants may refuse to accept a unit offer for “good cause.” *Good cause* includes situations in which an applicant is willing to move but is unable to do so at the time of the unit offer, or the applicant demonstrates that acceptance of the offer would cause undue hardship not related to considerations of the applicant’s race, color, national origin, etc. [PH Occ GB, p. 104]. Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

The family demonstrates to HACSA’s satisfaction that accepting the unit offer will cause an adverse impact on employment, education, job training, or services necessary for a disabled family member.

The family demonstrates to HACSA’s satisfaction that accepting the offer will place a family member’s life, health, or safety in jeopardy. The family should offer specific and compelling documentation such as restraining orders; other court orders; risk assessments related to witness protection from a law enforcement agency; or documentation of domestic violence, dating violence, sexual assault, or stalking in accordance with section 16-VII.D of this ACOP. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.

A health professional verifies temporary hospitalization or recovery from illness of the head-of-household, other household members (as listed on final application) or a live-in aide is necessary for the care of the head-of-household or spouse.

The unit is inappropriate for the applicant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.

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

In the case of a unit refusal for good cause the applicant will not be removed from the waiting list as described later in this section. The applicant will remain at the top of the waiting list until the family receives an offer for which they do not have good cause to refuse.

HACSA will require documentation of good cause for unit refusals.

### **Unit Refusal without Good Cause**

#### HACSA Policy

When an applicant rejects the second unit offer without good cause, HACSA will remove the applicant's name from the waiting list for all site-based developments, and send notice to the family of such removal. The notice will inform the family of their right to request an informal hearing and the process for doing so (see Chapter 14).

The applicant may reapply for assistance if the waiting list is open. If the waiting list is not open, the applicant must wait to reapply until HACSA opens the waiting list.

### **5-II.E. ACCESSIBLE UNITS [24 CFR 8.27]**

PHAs must adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with disabilities, and take reasonable nondiscriminatory steps to maximize the utilization of such units by eligible individuals whose disability requires the accessibility features of a particular unit.

When an accessible unit becomes vacant, before offering such units to a non-disabled applicant the PHA must offer such units:

- First, to a current resident of another unit of the same development, or other public housing development under the PHA's control, who has a disability that requires the special features of the vacant unit and is occupying a unit not having such features, or if no such occupant exists, then
- Second, to an eligible qualified applicant on the waiting list having a disability that requires the special features of the vacant unit.

When offering an accessible unit to an applicant not having a disability requiring the accessibility features of the unit, the PHA may require the applicant to agree (and may incorporate this agreement in the lease) to move to a non-accessible unit when available.

#### HACSA Policy

Families requiring an accessible unit may be over-housed in such a unit if there are no resident or applicant families of the appropriate size who also require the accessible features of the unit.

When there are no resident or applicant families requiring the accessible features of the unit, including families who would be over-housed, HACSA will offer the unit to a non-disabled applicant.

When offering an accessible unit to a non-disabled applicant, HACSA will require the applicant to agree to move to an available non-accessible unit within 30 days when either a current resident or an applicant needs the features of the unit and there is another unit available for the non-disabled family. This requirement will be a provision of the lease agreement.

### **5-II.F. DESIGNATED HOUSING**

When applicable, the PHA's policies for offering units designated for elderly families only or for disabled families only are described in the PHA's Designated Housing Plan.

## Chapter 6

### INCOME AND RENT DETERMINATIONS

[24 CFR Part 5, Subparts E and F; 24 CFR 960, Subpart C]

#### INTRODUCTION

A family's annual income is used to determine their income eligibility for the public housing program and is also used to calculate the amount of the family's rent payment. The PHA will use the policies and methods described in this chapter to ensure that only income-eligible families receive assistance and that no family pays more or less rent than is required under the regulations. This chapter describes HUD regulations and PHA policies related to these topics in three parts as follows:

Part I: Annual Income. HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and PHA policies for calculating annual income are found in Part I.

Part II: Adjusted Income. Once annual income has been established HUD regulations require the PHA to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and PHA policies for calculating adjusted income are found in Part II.

Part III: Calculating Rent. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining family rent payment. Also included here are flat rents and the family's choice in rents.



## PART I: ANNUAL INCOME

### 6-I.A. OVERVIEW

The general regulatory definition of *annual income* shown below is from 24 CFR 5.609.

5.609 Annual income.

(a) Annual income means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph [5.609(c)].

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

In addition to this general definition, HUD regulations establish policies for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

- Annual Income Inclusions (Exhibit 6-1)
- Annual Income Exclusions (Exhibit 6-2)
- Treatment of Family Assets (Exhibit 6-3)
- Earned Income Disallowance (Exhibit 6-4)
- The Effect of Welfare Benefit Reduction (Exhibit 6-5)

Sections 6-I.B and 6-I.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. HUD regulations present income inclusions and exclusions separately [24 CFR 5.609(b) and 24 CFR 5.609(c)]. In this ACOP, however, the discussions of income inclusions and exclusions are integrated by topic (e.g., all policies affecting earned income are discussed together in section 6-I.D). Verification requirements for annual income are discussed in Chapter 7.

## 6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

<b>Summary of Income Included and Excluded by Person</b>	
Live-in aides	Income from all sources is excluded [24 CFR 5.609(c)(5)].
Foster child or foster adult	Income from all sources is excluded [24 CFR 5.609(a)(1)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included.
Children under 18 years of age	Employment income is excluded [24 CFR 5.609(c)(1)]. All other sources of income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Employment income above \$480/year is excluded [24 CFR 5.609(c)(11)]. All other sources of income, except those specifically excluded by the regulations, are included.

### **Temporarily Absent Family Members**

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit [HCV GB, p. 5-18].

#### HACSA Policy

Absences in excess of 30 days require HACSA's approval. Generally an individual who is or is expected to be absent from the unit for 90 consecutive days or less is considered temporarily absent and continues to be considered a family member. Generally an individual who is or is expected to be absent from the unit for more than 180 consecutive days is considered permanently absent and no longer a family member. Exceptions to this general policy are discussed below.

### ***Absent Students***

#### HACSA Policy

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

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

Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

#### HACSA Policy

If a child has been placed in foster care, HACSA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

### ***Absent Head, Spouse, or Cohead***

#### HACSA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

### ***Individuals Confined for Medical Reasons***

#### HACSA Policy

An individual confined to a nursing home or hospital on a permanent basis is not considered a family member.

If there is a question about the status of a family member, HACSA will request verification from a qualified medical professional and will use this determination. If the qualified medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

### ***Joint Custody of Children***

#### HACSA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or resident family 51 percent or more of the time.

When more than one applicant or assisted family (regardless of program) are claiming the same dependents as family members, the family with primary custody at the time of the initial examination or reexamination will be able to claim the dependents. If there is a dispute about which family should claim them, HACSA will make the determination based on available documents such as court orders, an IRS income tax return showing which family has claimed the child for income tax purposes, school records, or other credible documentation.

## **Caretakers for a Child**

### HACSA Policy

The approval of a caretaker is at HACSA's discretion and subject to HACSA's screening criteria. If neither a parent nor a designated guardian remains in a household, HACSA will take the following actions.

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

If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases HACSA will extend the caretaker's status as an eligible visitor.

At any time that custody or guardianship legally has been awarded to a caretaker, HACSA will complete the eligibility process for admission, and a new lease will be signed with the caretaker as the as head of household.

During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

## **6-I.C. ANTICIPATING ANNUAL INCOME**

The PHA is required to count all income “anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date” [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

### **Basis of Annual Income Projection**

The PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the PHA to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
- The PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

PHAs are required to use HUD’s Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].

HUD allows PHAs to use tenant-provided documents to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.

#### HACSA Policy

When EIV is obtained and the family does not dispute the EIV employer data, HACSA will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, HACSA will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.

HACSA will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:

If EIV or other UIV data is not available,

If the family disputes the accuracy of the EIV employer data, and/or

If the PHA determines additional information is needed.

In such cases, the PHA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the PHA annualized projected income.

When the PHA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the PHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

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

### ***Known Changes in Income***

If the PHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

**Example:** An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after the effective date of the reexamination. In such a case the PHA would calculate annual income as follows:  $(\$8/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}) + (\$8.25 \times 40 \text{ hours} \times 45 \text{ weeks})$ .

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the PHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if the PHA's policy on reexaminations does not require interim reexaminations for other types of changes.

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.

### **Projecting Income**

In HUD's EIV webcast of January 2008, HUD made clear that PHAs are not to use EIV quarterly wages to project annual income.

## **6-I.D. EARNED INCOME**

### **Types of Earned Income Included in Annual Income**

#### ***Wages and Related Compensation [24 CFR 5.609(b)(1)]***

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

#### **HACSA Policy**

For persons who regularly receive bonuses or commissions, HACSA will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, HACSA will use the prior year amounts. In either case the family may provide, and HACSA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, HACSA will count only the amount estimated by the employer. The file will be documented appropriately.

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

All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(c)(7)].

### **Types of Earned Income Not Counted in Annual Income**

#### ***Temporary, Nonrecurring, or Sporadic Income [24 CFR 5.609(c)(9)]***

This type of income (including gifts) is not included in annual income.

#### **HACSA Policy**

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

#### ***Children's Earnings [24 CFR 5.609(c)(1)]***

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income. (See Eligibility chapter for a definition of *foster children*.)

#### ***Certain Earned Income of Full-Time Students***

Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted [24 CFR 5.609(c)(11)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

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

Income earned by a live-in aide, as defined in [24 CFR 5.403], is not included in annual income [24 CFR 5.609(c)(5)]. (See Eligibility chapter for a full discussion of live-in aides.)

***Income Earned under Certain Federal Programs [24 CFR 5.609(c)(17)]***

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

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

***Resident Service Stipend [24 CFR 5.600(c)(8)(iv)]***

Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed \$200 per individual per month) received by a resident for performing a service for the PHA, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time.

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

Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program [24 CFR 5.609(c)(8)(v)].

#### HACSA Policy

HACSA defines *training program* as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a designated period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual’s ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education” [expired Notice PIH 98-2, p. 3].

HACSA defines *incremental earnings and benefits* as the difference between (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, HACSA will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with HACSA's interim reporting requirements (see chapter on reexaminations).

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

Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(c)(8)(i)] are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

#### **HACSA Policy**

To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.

***Earned Income Tax Credit.*** Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income [24 CFR 5.609(c)(17)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee's payroll check.

***Earned Income Disallowance.*** The earned income disallowance is discussed in section 6-I.E below.

## **6-I.E. EARNED INCOME DISALLOWANCE [24 CFR 960.255; Streamlining Final Rule (SFR) Federal Register 3/8/16]**

The earned income disallowance (EID) encourages people to enter the work force by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 960.255 is included as Exhibit 6-4 at the end of this chapter. Eligibility criteria and limitations on the disallowance are summarized below.

### **Eligibility**

This disallowance applies only to individuals in families already participating in the public housing program (not at initial examination). To qualify, the family must experience an increase in annual income that is the result of one of the following events:

- Employment of a family member who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
- Increased earnings by a family member whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families [24 CFR 5.603(b)].
- New employment or increased earnings by a family member who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least \$500.

## **Calculation of the Disallowance**

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "baseline income." The family member's baseline income is his or her income immediately prior to qualifying for the EID. The family member's baseline income remains constant throughout the period that he or she is participating in the EID.

### HACSA Policy

While qualification for the disallowance is the same for all families, calculation of the disallowance will differ depending on when the family member qualified for the EID. Residents qualifying prior to May 9, 2016 will have the disallowance calculated under the "Original Calculation Method" described below, which requires a maximum lifetime disallowance period of up to 48 consecutive months. Residents qualifying on or after May 9, 2016 will be subject to the "Revised Calculation Method," which shortens the lifetime disallowance period to 24 consecutive months.

## **Original Calculation Method**

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

During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

### HACSA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

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

During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.

### ***Lifetime Limitation***

The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.

### HACSA Policy

During the 48-month eligibility period, HACSA will conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period).

## **New Calculation Method Effective May 9, 2016**

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

During the initial exclusion period of 12 consecutive months, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded.

#### HACSA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

### ***Second 12-Month Exclusion***

During the second exclusion period of 12 consecutive months, HACSA must exclude at least 50 percent of any increase in income attributable to employment or increased earnings.

#### HACSA Policy

During the second 12-month exclusion period, HACSA will exclude 50 percent of any increase in income attributable to new employment or increased earnings.

### ***Lifetime Limitation***

The EID has a two-year (24-month) lifetime maximum. The two-year eligibility period begins at the same time that the initial exclusion period begins and ends 24 months later. During the 24-month period, an individual remains eligible for EID even if they receive assistance from a different housing agency, move between public housing and Section 8 assistance, or have breaks in assistance.

**Individual Savings Accounts [24 CFR 960.255(d)]**

HACSA Policy

HACSA chooses not to establish a system of individual savings accounts (ISAs) for families who qualify for the EID.

## **6-I.F. BUSINESS INCOME [24 CFR 5.609(b)(2)]**

Annual income includes “the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family” [24 CFR 5.609(b)(2)].

### **Business Expenses**

Net income is “gross income less business expense” [HCV GB, p. 5-19].

#### HACSA Policy

To determine business expenses that may be deducted from gross income, HACSA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described below.

### **Business Expansion**

HUD regulations do not permit the PHA to deduct from gross income expenses for business expansion.

#### HACSA Policy

*Business expansion* is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

## **Capital Indebtedness**

HUD regulations do not permit the PHA to deduct from gross income the amortization of capital indebtedness.

### HACSA Policy

*Capital indebtedness* is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means HACSA will allow as a business expense the interest (but not the principal) paid on capital indebtedness.

## **Negative Business Income**

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

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

HUD regulations require the PHA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

### HACSA Policy

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

## **Co-owned Businesses**

### HACSA Policy

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

## **6-I.G. ASSETS [24 CFR 5.609(b)(3) and 24 CFR 5.603(b)]**

### **Overview**

There is no asset limitation for participation in the public housing program. However, HUD requires that the PHA include in annual income the anticipated “interest, dividends, and other net income of any kind from real or personal property” [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets, the PHA must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

- How the value of the asset will be determined
- How income from the asset will be calculated

Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3 provides the regulatory definition of *net family assets*. This section begins with a discussion of general policies related to assets and then provides HUD rules and PHA policies related to each type of asset.

Optional policies for family self-certification of assets are found in Chapter 7.

### **General Policies**

#### ***Income from Assets***

The PHA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes the PHA to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the PHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, the PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.

#### **HACSA Policy**

Any time current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to HACSA to show why the asset income determination does not represent the family’s anticipated asset income.

## ***Valuing Assets***

The calculation of asset income sometimes requires the PHA to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth in the market (e.g., the amount a buyer would pay for real estate or the total value of an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

### HACSA Policy

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28 and PH Occ GB, p. 121].

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

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs]. (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.)

### ***Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]***

When net family assets are \$5,000 or less, the PHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, the PHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by the PHA.

- Note: The HUD field office no longer provides an interest rate for imputed asset income. The "safe harbor" is now for the PHA to establish a passbook rate within 0.75 percent of a national average.
- The PHA must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average.

### HACSA Policy

HACSA will initially set the imputed asset passbook rate at or below the national rate established by the Federal Deposit Insurance Corporation (FDIC).

HACSA will review the passbook rate annually. The rate will not be adjusted unless the current PHA rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be set at the current national rate.

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

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

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

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

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

The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes "amounts derived (during the 12-month period) from assets to which any member of the family has access."

#### HACSA Policy

If an asset is owned by more than one person and any family member has unrestricted access to the asset, HACSA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, HACSA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, HACSA will prorate the asset evenly among all owners.

### ***Assets Disposed Of for Less than Fair Market Value [24 CFR 5.603(b)]***

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

#### ***Minimum Threshold***

The PHA may set a threshold below which assets disposed of for less than fair market value will not be counted [HCV GB, p. 5-27].

##### **HACSA Policy**

HACSA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$5,000.

When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual recertifications, the family may request an interim recertification to eliminate consideration of the asset(s).

Assets placed by the family in nonrevocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

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

The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

##### **HACSA Policy**

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

#### ***Foreclosure or Bankruptcy***

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

#### ***Family Declaration***

##### **HACSA Policy**

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. HACSA may verify the value of the assets disposed of if other information available to HACSA does not appear to agree with the information reported by the family.

## **Types of Assets**

### ***Checking and Savings Accounts***

For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

#### HACSA Policy

HACSA will use the current balance to determine the value of checking and savings accounts.

In determining the anticipated income from an interest-bearing checking or savings account, HACSA will multiply the value of the account by the current rate of interest paid on the account.

### ***Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds***

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

#### HACSA Policy

HACSA will use the value of the account on the most recent investment report in determining the market value of an investment account.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), HACSA will calculate asset income based on the earnings for the most recent reporting period.

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

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25 and PH, p. 121].

#### HACSA Policy

In determining the equity, HACSA will determine market value by examining recent tax value from County records.

HACSA will first use the payoff amount for the loan (mortgage) as the unpaid balance to calculate equity.

Equity in real property and other capital investments is considered in the calculation of asset income **except** for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR 5.603(b)]
- Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F.
- Interests in Indian Trust lands [24 CFR 5.603(b)]
- Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25]

The PHA must also deduct from the equity the reasonable costs for converting the asset to cash. Using the formula for calculating equity specified above, the net cash value of real property is the market value of the loan (mortgage) minus the expenses to convert to cash [Notice PIH 2012-3].

#### HACSA Policy

For the purposes of calculating expenses to convert to cash for real property, HACSA will use ten percent of the market value of the home.

A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

#### HACSA Policy

In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless HACSA determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

#### ***Trusts***

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

#### *Revocable Trusts*

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset [HCV GB, p. 5-25]. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

#### *Nonrevocable Trusts*

In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate [24 CFR 5.603(b)]. (Periodic payments are covered in section 6-I.H. Lump-sum receipts are discussed earlier in this section.)

#### ***Retirement Accounts***

##### *Company Retirement/Pension Accounts*

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, the PHA must know whether the money is accessible before retirement [HCV GB, p. 5-26].

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset [HCV GB, p. 5-26].

After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate [HCV GB, p. 5-26], except to the extent that it represents funds invested in the account by the family member. (For more on periodic payments, see section 6-I.H.) The balance in the account is counted as an asset only if it remains accessible to the family member.

##### *IRA, Keogh, and Similar Retirement Savings Accounts*

IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty [HCV GB, p. 5-25].

### ***Personal Property***

Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset [HCV GB, p. 5-25].

#### HACSA Policy

In determining the value of personal property held as an investment, HACSA will use the family's estimate of the value. HACSA may require additional verification if there is reason to believe that the family's estimated value is off by \$50 or more. The family must cooperate with the verification process.

Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

Necessary items of personal property are not considered assets [24 CFR 5.603(b)].

#### HACSA Policy

Necessary personal property consists of only those items not held as an investment. It may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

### ***Life Insurance***

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

## **6-I.H. PERIODIC PAYMENTS**

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

### **Periodic Payments Included in Annual Income**

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14]

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

Most lump sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income. Additionally, any deferred disability benefits that are received in a lump sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income [24 CFR 5.609(c)(14)].

#### HACSA Policy

When a delayed-start payment is received and reported during the period in which HACSA is processing an interim or annual reexamination, HACSA will adjust the tenant rent retroactively for the period the payment was intended to cover. The family may pay in full any amount due or request to enter into a repayment agreement with HACSA.

See the chapter on reexaminations for information about a family's obligation to report lump-sum receipts between annual reexaminations.

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

The PHA must make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, the PHA must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2012-10].

## Periodic Payments Excluded from Annual Income

- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone) [24 CFR 5.609(c)(2)]. Kinship care payments are considered equivalent to foster care payments and are also excluded from annual income [Notice PIH 2012-1].

### HACSA Policy

HACSA will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement [HCV GB, p. 5-18].

- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts received under the Low-Income Home Energy Assistance Program (42 U.S.C. 1626(c)) [24 CFR 5.609(c)(17)]
- Amounts received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q) [24 CFR 5.609(c)(17)]
- Earned Income Tax Credit (EITC) refund payments (26 U.S.C. 32(j)) [24 CFR 5.609(c)(17)].  
*Note:* EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.
- Lump sums received as a result of delays in processing Social Security and SSI payments (see section 6-I.H.) [24 CFR 5.609(c)(14)].
- Lump-sums or prospective monthly amounts received as deferred disability benefits from the Department of Veterans Affairs (VA) [24 CFR 5.609(c)(14)].

### **6-I.I. PAYMENTS IN LIEU OF EARNINGS**

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5)] if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)]. (See also the discussion of periodic payments in section 6-I.H and the discussion of lump-sum receipts in section 6-I.G.)

## **6-I.J. WELFARE ASSISTANCE**

### **Overview**

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)].

### **Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]**

The PHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-5. The requirements are summarized below. This rule applies only if a family was a public housing resident at the time the sanction was imposed.

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

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare agency’) under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)]

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

When a welfare agency imposes a sanction that reduces a family’s welfare income because the family commits fraud or fails to comply with the agency’s economic self-sufficiency program or work activities requirement, the PHA must include in annual income “imputed” welfare income. The PHA must request that the welfare agency provide the reason for the reduction of benefits and the amount of the reduction of benefits. The imputed welfare income is the amount that the benefits were reduced as a result of the sanction.

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

For special procedures related to grievance hearings based upon the PHA’s denial of a family’s request to lower rent when the family experiences a welfare benefit reduction, see Chapter 14, Grievances and Appeals.

#### ***Offsets***

The amount of the imputed welfare income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

## **6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(b)(7)]**

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

### **Alimony and Child Support**

The PHA must count alimony or child support amounts awarded as part of a divorce or separation agreement.

#### HACSA Policy

HACSA will count support payments for alimony and child support unless HACSA verifies that the payments are not being made.

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

### **Regular Contributions or Gifts**

The PHA must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with a tenant family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

#### HACSA Policy

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by HACSA. For contributions that may vary from month to month (e.g., utility payments), HACSA will include an average amount based upon past history.

## 6-I.L. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME

Other exclusions contained in 24 CFR 5.609(c) and updated by FR Notice 5/20/14 that have not been discussed earlier in this chapter include the following:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]
- The full amount of student financial assistance paid directly to the student or to the educational institution [24 CFR 5.609(c)(6)].

### HACSA Policy

Regular financial support from parents or guardians to students for food, clothing personal items, and entertainment **is not** considered student financial assistance and is included in annual income.

- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)]
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(c)(8)(ii)]
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(c)(10)]
- Adoption assistance payments in excess of \$480 per adopted child [24 CFR 5.609(c)(12)]
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17), FR Notice 5/20/14]. HUD publishes an updated list of these exclusions periodically. It includes:
  - (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
  - (b) Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC
  - (c) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
  - (d) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
  - (e) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
  - (f) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))

- (g) Payments received under programs funded in whole or in part under the Workforce Investment Act of 1998 (29 U.S.C. 2931)
- (h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts
- (i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)
- (j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
- (k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010
- (l) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
- (m) Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)
- (n) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- (o) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent Orange* product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
- (p) Payments received under 38 U.S.C. 1833(c) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spinal bifida
- (q) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
- (r) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
- (s) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))
- (t) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)

- (u) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in § 237 of Public Law 109–249 applies and requires that the amount of financial assistance in excess of tuition shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109–249)
- (v) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
- (w) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
- (x) Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002
- (y) Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013–30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a))
- (z) Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations



## PART II: ADJUSTED INCOME

### 6-II.A. INTRODUCTION

#### Overview

HUD regulations require PHAs to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income. Mandatory deductions are found in 24 CFR 5.611.

5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity (PHA) must deduct the following amounts from annual income:

- (1) \$480 for each dependent;
- (2) \$400 for any elderly family or disabled family;
- (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
  - (i) Unreimbursed medical expenses of any elderly family or disabled family;
  - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7, Verifications.

#### Anticipating Expenses

##### HACSA Policy

Generally, HACSA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and nonschool periods and cyclical medical expenses), HACSA will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the HACSA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. Amounts previously deducted will not be allowed if the amounts were not paid as expected in a preceding period. HACSA may require the family to provide documentation of payments made in the preceding year.

### **6-II.B. DEPENDENT DEDUCTION**

An allowance of \$480 is deducted from annual income for each dependent [24 CFR 5.611(a)(1)]. *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

### **6-II.C. ELDERLY OR DISABLED FAMILY DEDUCTION**

A single deduction of \$400 is taken for any elderly or disabled family [24 CFR 5.611(a)(2)]. An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

**6-II.D. MEDICAL EXPENSES DEDUCTION [24 CFR 5.611(a)(3)(i)]**

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.

The medical expense deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted [VG, p. 28].

**Definition of *Medical Expenses***

HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean “medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.”

HACSA Policy

The most current IRS Publication 502, *Medical and Dental Expenses*, will be used as a reference to determine the costs that qualify as medical expenses.

<b>Summary of Allowable Medical Expenses from IRS Publication 502</b>	
<p>Services of medical professionals</p> <p>Surgery and medical procedures that are necessary, legal, noncosmetic</p> <p>Services of medical facilities</p> <p>Hospitalization, long-term care, and in-home nursing services</p> <p>Prescription medicines and insulin, but <u>not</u> nonprescription medicines even if recommended by a doctor</p> <p>Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails)</p>	<p>Substance abuse treatment programs</p> <p>Psychiatric treatment</p> <p>Ambulance services and some costs of transportation related to medical expenses</p> <p>The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)</p> <p>Cost and continuing care of necessary service animals</p> <p>Medical insurance premiums or the cost of a health maintenance organization (HMO)</p>
<p><b>Note:</b> This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.</p>	

## **Families That Qualify for Both Medical and Disability Assistance Expenses**

### HACSA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, HACSA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

## **6-II.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]**

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

### **Earned Income Limit on the Disability Assistance Expense Deduction**

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

#### HACSA Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, HACSA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When HACSA determines that the disability assistance expenses enable more than one family member to work, the disability assistance expenses will be capped by the sum of the family members’ incomes [PH Occ GB, p. 124].

## **Eligible Disability Expenses**

Examples of auxiliary apparatus are provided in the *PH Occupancy Guidebook* as follows: “Auxiliary apparatus: Including wheelchairs, walkers, scooters, reading devices for persons with visual disabilities, equipment added to cars and vans to permit their use by the family member with a disability, or service animals” [PH Occ GB, p. 124], but only if these items are directly related to permitting the disabled person or other family member to work [HCV GB, p. 5-30].

HUD advises PHAs to further define and describe auxiliary apparatus [VG, p. 30].

### ***Eligible Auxiliary Apparatus***

#### HACSA Policy

Expenses incurred for maintaining or repairing an auxiliary apparatus to enable an adult family member to work are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

### ***Eligible Attendant Care***

The family determines the type of attendant care that is appropriate for the person with disabilities.

#### HACSA Policy

Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, HACSA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

### ***Payments to Family Members***

No disability expenses may be deducted for payments to a member of a tenant family [23 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the tenant family may be deducted if they are reimbursed by an outside source.

### **Necessary and Reasonable Expenses**

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

#### HACSA Policy

HACSA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. If there is a question about typical costs, HACSA may collect information from organizations that provide services and support to persons with disabilities. A family may present, and HACSA will consider, the family's justification for costs that exceed typical costs in the area.

### **Families That Qualify for Both Medical and Disability Assistance Expenses**

#### HACSA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, HACSA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

## **6-II.F. CHILD CARE EXPENSE DEDUCTION**

HUD defines *child care expenses* at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family’s household [VG, p. 26]. However, child care expenses for foster children that are living in the assisted family’s household are included when determining the family’s child care expenses.

### **Qualifying for the Deduction**

#### ***Determining Who Is Enabled to Pursue an Eligible Activity***

##### HACSA Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family’s request, HACSA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

#### ***Seeking Work***

##### HACSA Policy

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member’s efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member’s job search efforts are not commensurate with the child care expense being allowed by HACSA.

### ***Furthering Education***

#### HACSA Policy

If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

### ***Being Gainfully Employed***

#### HACSA Policy

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

## **Earned Income Limit on Child Care Expense Deduction**

When a family member looks for work or furthers his or her education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person’s earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000.

The PHA must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

### HACSA Policy

When the child care expense being claimed is to enable a family member to work, only one family member’s income will be considered for a given period of time. When more than one family member works during a given period, HACSA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

## **Eligible Child Care Expenses**

The type of care to be provided is determined by the tenant family. The PHA may not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care [VG, p. 26].

### ***Allowable Child Care Activities***

#### HACSA Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, HACSA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

### ***Necessary and Reasonable Costs***

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

#### HACSA Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, HACSA will use the schedule of child care costs from the local welfare agency. Families may present, and HACSA will consider, justification for costs that exceed typical costs in the area.

## **6-II.G. PERMISSIVE DEDUCTIONS [24 CFR 5.611(b)(1)]**

Permissive deductions are additional, optional deductions that may be applied to annual income. As with mandatory deductions, permissive deductions must be based on need or family circumstance and deductions must be designed to encourage self-sufficiency or other economic purpose. If the PHA offers permissive deductions, they must be granted to all families that qualify for them and should complement existing income exclusions and deductions [PH Occ GB, p. 128].

The *Form HUD-50058 Instruction Booklet* states that the maximum allowable amount for total permissive deductions is less than \$90,000 per year.

### HACSA Policy

HACSA has opted not to use permissive deductions.

## **PART III: CALCULATING RENT**

### **6-III.A. OVERVIEW OF INCOME-BASED RENT CALCULATIONS**

The first step in calculating income-based rent is to determine each family's total tenant payment (TTP). Then, if the family is occupying a unit that has tenant-paid utilities, the utility allowance is subtracted from the TTP. The result of this calculation, if a positive number, is the tenant rent. If the TTP is less than the utility allowance, the result of this calculation is a negative number, and is called the utility reimbursement, which may be paid to the family or directly to the utility company by the PHA.

#### **TTP Formula [24 CFR 5.628]**

HUD regulations specify the formula for calculating the total tenant payment (TTP) for a tenant family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between \$0 and \$50 that is established by the PHA

The PHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6-III.B.

#### ***Welfare Rent [24 CFR 5.628]***

##### HACSA Policy

Welfare rent does not apply in this locality.

#### ***Minimum Rent [24 CFR 5.630]***

##### HACSA Policy

The minimum rent for this locality is \$0.

**Optional Changes to Income-Based Rents [24 CFR 960.253(c)(2) and PH Occ GB, pp. 131-134]**

PHAs have been given very broad flexibility to establish their own, unique rent calculation systems as long as the rent produced is not higher than that calculated using the TTP and mandatory deductions. At the discretion of the PHA, rent policies may structure a system that uses combinations of permissive deductions, escrow accounts, income-based rents, and the required flat and minimum rents.

The PHA's minimum rent and rent choice policies still apply to affected families. Utility allowances are applied to PHA designed income-based rents in the same manner as they are applied to the regulatory income-based rents.

The choices are limited only by the requirement that the method used not produce a TTP or tenant rent greater than the TTP or tenant rent produced under the regulatory formula.

HACSA Policy

HACSA chooses not to adopt optional changes to income-based rents.

**Ceiling Rents [24 CFR 960.253 (c)(2) and (d)]**

Ceiling rents are used to cap income-based rents. They are part of the income-based formula. If the calculated TTP exceeds the ceiling rent for the unit, the ceiling rent is used to calculate tenant rent (ceiling rent/TTP minus utility allowance). Increases in income do not affect the family since the rent is capped. The use of ceiling rents fosters upward mobility and income mixing.

Because of the mandatory use of flat rents, the primary function of ceiling rents now is to assist families who cannot switch back to flat rent between annual reexaminations and would otherwise be paying an income-based tenant rent that is higher than the flat rent.

Ceiling rents must be set to the level required for flat rents (which will require the addition of the utility allowance to the flat rent for properties with tenant-paid utilities) [PH Occ GB, p. 135].

HACSA Policy

HACSA chooses not to use ceiling rents.

### **Utility Reimbursement [24 CFR 960.253(c)(4)]**

Utility reimbursement occurs when any applicable utility allowance for tenant-paid utilities exceeds the TTP. HUD permits the PHA to pay the reimbursement to the family or directly to the utility provider.

#### HACSA Policy

HACSA will make utility reimbursements to utility company and will issue all utility reimbursements monthly.

## **6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]**

### HACSA Policy

The financial hardship rules described below do not apply in this jurisdiction because HACSA has established a minimum rent of \$0.

### **Overview**

If the PHA establishes a minimum rent greater than zero, the PHA must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the PHA determines that a hardship exists, the TTP is the highest of the remaining components of the family's calculated TTP.

### **HUD-Defined Financial Hardship**

Financial hardship includes the following situations:

- (1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.

#### PHA Policy

A hardship will be considered to exist only if the loss of eligibility has an impact on the family's ability to pay the minimum rent.

For a family waiting for a determination of eligibility, the hardship period will end as of the first of the month following (1) implementation of assistance, if approved, or (2) the decision to deny assistance. A family whose request for assistance is denied may request a hardship exemption based upon one of the other allowable hardship circumstances.

- (2) The family would be evicted because it is unable to pay the minimum rent.

#### PHA Policy

For a family to qualify under this provision, the cause of the potential eviction must be the family's failure to pay rent or tenant-paid utilities.

- (3) Family income has decreased because of changed family circumstances, including the loss of employment.

(4) A death has occurred in the family.

PHA Policy

In order to qualify under this provision, a family must describe how the death has created a financial hardship (e.g., because of funeral-related expenses or the loss of the family member's income).

(5) The family has experienced other circumstances determined by the PHA.

PHA Policy

The PHA has not established any additional hardship criteria.

## Implementation of Hardship Exemption

### *Determination of Hardship*

When a family requests a financial hardship exemption, the PHA must suspend the minimum rent requirement beginning the first of the month following the family's request.

The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

#### PHA Policy

The PHA defines temporary hardship as a hardship expected to last 90 days or less. Long term hardship is defined as a hardship expected to last more than 90 days.

The PHA may not evict the family for nonpayment of minimum rent during the 90-day period beginning the month following the family's request for a hardship exemption.

When the minimum rent is suspended, the TTP reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

<b>Example: Impact of Minimum Rent Exemption</b>	
Assume the PHA has established a minimum rent of \$35.	
<b>TTP – No Hardship</b>	<b>TTP – With Hardship</b>
\$0 30% of monthly adjusted income	\$0 30% of monthly adjusted income
\$15 10% of monthly gross income	\$15 10% of monthly gross income
N/A Welfare rent	N/A Welfare rent
\$35 Minimum rent	\$35 Minimum rent
Minimum rent applies. TTP = \$35	Hardship exemption granted. TTP = \$15

#### PHA Policy

To qualify for a hardship exemption, a family must submit a request for a hardship exemption in writing. The request must explain the nature of the hardship and how the hardship has affected the family's ability to pay the minimum rent.

The PHA will make the determination of hardship within 30 calendar days.

### ***No Financial Hardship***

If the PHA determines there is no financial hardship, the PHA will reinstate the minimum rent and require the family to repay the amounts suspended.

For procedures pertaining to grievance hearing requests based upon the PHA's denial of a hardship exemption, see Chapter 14, Grievances and Appeals.

#### **PHA Policy**

The PHA will require the family to repay the suspended amount within 30 calendar days of the PHA's notice that a hardship exemption has not been granted.

### ***Temporary Hardship***

If the PHA determines that a qualifying financial hardship is temporary, the PHA must reinstate the minimum rent from the beginning of the first of the month following the date of the family's request for a hardship exemption.

The family must resume payment of the minimum rent and must repay the PHA the amounts suspended. HUD requires the PHA to offer a reasonable repayment agreement, on terms and conditions established by the PHA. The PHA also may determine that circumstances have changed and the hardship is now a long-term hardship.

For procedures pertaining to grievance hearing requests based upon the PHA's denial of a hardship exemption, see Chapter 14, Grievances and Appeals.

#### **PHA Policy**

The PHA will enter into a repayment agreement in accordance with the PHA's repayment agreement policy (see Chapter 16).

### ***Long-Term Hardship***

If the PHA determines that the financial hardship is long-term, the PHA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

#### **PHA Policy**

The hardship period ends when any of the following circumstances apply:

- (1) At an interim or annual reexamination, the family's calculated TTP is greater than the minimum rent.
- (2) For hardship conditions based on loss of income, the hardship condition will continue to be recognized until new sources of income are received that are at least equal to the amount lost. For example, if a hardship is approved because a family no longer receives a \$60/month child support payment, the hardship will continue to exist until the family receives at least \$60/month in income from another source or once again begins to receive the child support.
- (3) For hardship conditions based upon hardship-related expenses, the minimum rent exemption will continue to be recognized until the cumulative amount exempted is equal to the expense incurred.

## **6-III.C. UTILITY ALLOWANCES [24 CFR 965, Subpart E]**

### **Overview**

Utility allowances are provided to families paying income-based rents when the cost of utilities is not included in the rent. When determining a family's income-based rent, the PHA must use the utility allowance applicable to the type of dwelling unit leased by the family.

For policies on establishing and updating utility allowances, see Chapter 16.

### **Reasonable Accommodation [24 CFR 8]**

On request from a family, PHAs must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family with a disability [PH Occ GB, p. 172].

Residents with disabilities may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability [PH Occ GB, p. 172].

See Chapter 2 for policies related to reasonable accommodations.

### **Utility Allowance Revisions [24 CFR 965.507]**

The PHA must review its schedule of utility allowances each year. Between annual reviews, the PHA must revise the utility allowance schedule if there is a rate change that by itself or together with prior rate changes not adjusted for, results in a change of 10 percent or more from the rate on which such allowances were based. Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account in such revision became effective [PH Occ GB, p. 171].

The tenant rent calculations must reflect any changes in the PHA's utility allowance schedule [24 CFR 960.253(c)(3)].

#### HACSA Policy

Unless HACSA is required to revise utility allowances retroactively, revised utility allowances will be applied to a family's rent calculations at the first interim or annual reexamination after the allowance is adopted.

### **6-III.D. PRORATED RENT FOR MIXED FAMILIES [24 CFR 5.520]**

HUD regulations prohibit assistance to ineligible family members. A *mixed family* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The PHA must prorate the assistance provided to a mixed family. The PHA will first determine TTP as if all family members were eligible and then prorate the rent based upon the number of family members that actually are eligible. To do this, the PHA must:

- (1) Subtract the TTP from the flat rent applicable to the unit. The result is the maximum subsidy for which the family could qualify if all members were eligible.
- (2) Divide the family maximum subsidy by the number of persons in the family to determine the maximum subsidy per each family member who is eligible (member maximum subsidy).
- (3) Multiply the member maximum subsidy by the number of eligible family members.
- (4) Subtract the subsidy calculated in the last step from the flat rent. This is the prorated TTP.
- (5) Subtract the utility allowance for the unit from the prorated TTP. This is the prorated rent for the mixed family.

#### HACSA Policy

Revised public housing maximum rents will be applied to a family's rent calculation at the first annual reexamination after the revision is adopted.

- (6) When the mixed family's TTP is greater than the applicable flat rent, use the TTP as the prorated TTP. The prorated TTP minus the utility allowance is the prorated rent for the mixed family.

## **6-III.E. FLAT RENTS AND FAMILY CHOICE IN RENTS [24 CFR 960.253]**

### **Flat Rents [24 CFR 960.253(b)]**

The flat rent is designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.

Changes in family income, expenses, or composition will not affect the flat rent amount because it is outside the income-based formula.

Policies related to the reexamination of families paying flat rent are contained in Chapter 9, and policies related to the establishment and review of flat rents are contained in Chapter 16.

### **Family Choice in Rents [24 CFR 960.253(a) and (e)]**

Once each year, the PHA must offer families the choice between a flat rent and an income-based rent. The family may not be offered this choice more than once a year. The PHA must document that flat rents were offered to families under the methods used to determine flat rents for the PHA.

#### HACSA Policy

The annual HACSA offer to a family of the choice between flat and income-based rent will be conducted upon admission and upon each subsequent annual reexamination.

HACSA will require families to submit their choice of flat or income-based rent in writing and will maintain such requests in the tenant file as part of the admission or annual reexamination process.

The PHA must provide sufficient information for families to make an informed choice. This information must include the PHA's policy on switching from flat rent to income-based rent due to financial hardship and the dollar amount of the rent under each option. However, if the family chose the flat rent for the previous year the PHA is required to provide an income-based rent amount only in the year that a reexamination of income is conducted or if the family specifically requests it and submits updated income information.

### **Switching from Flat Rent to Income-Based Rent Due to Hardship [24 CFR 960.253(f)]**

A family can opt to switch from flat rent to income-based rent at any time if they are unable to pay the flat rent due to financial hardship. If the PHA determines that a financial hardship exists, the PHA must immediately allow the family to switch from flat rent to the income-based rent.

#### HACSA Policy

Upon determination by HACSA that a financial hardship exists, HACSA will allow a family to switch from flat rent to income-based rent effective the first of the month following the family's request.

Reasons for financial hardship include:

- The family has experienced a decrease in income because of changed circumstances, including loss or reduction of employment, death in the family, or reduction in or loss of earnings or other assistance
- The family has experienced an increase in expenses, because of changed circumstances, for medical costs, child care, transportation, education, or similar items
- Such other situations determined by the PHA to be appropriate

#### HACSA Policy

HACSA considers payment of flat rent to be a financial hardship whenever the switch to income-based rent would be lower than the flat rent [PH Occ GB, p. 137].

**Phasing In Flat Rents [Notice PIH 2015-13; 24 CFR 960.253(b)]**

When new flat rents requirements were implemented in 2014, HUD limited the increase for existing residents paying flat rent at that time to no more than 35 percent of the current tenant rent per year. In some cases, this meant that some residents had or will have their flat rents phased-in at the time of their annual recertification. To do this, PHAs conduct a flat rent impact analysis to determine whether a phase-in is or was necessary. For families whose flat rent is being phased-in, the PHA must multiply the family's current rent amount by 1.35 and compare the result to the flat rent under the PHA's policies. Families who have subsequently been admitted to the program or have subsequently selected flat rent will not experience a phase-in.

Notice PIH 2015-13 requires that flat rents must be phased in at the full 35 percent per year. PHAs do not have the option of phasing in flat rent increases at less than 35 percent per year.

**Example:** A family was paying a flat rent of \$500 per month. At their annual recertification, the PHA has increased the flat rent for their unit size to comply with the new requirements to \$700. The PHA conducted a flat rent impact analysis as follows:

$$\$500 \times 1.35 = \$675$$

Since the PHA's increased flat rent of \$700 resulted in a rent increase of more than 35 percent, the PHA offered the family the choice to pay either \$675 per month or an income-based rent. The flat rent increase was phased in. At their next annual recertification in November 2015, the PHA will again multiply the family's current flat rent by 1.35 and compare the results to the PHA's current flat rent.

## **Flat Rents and Earned Income Disallowance [A&O FAQs]**

Because the EID is a function of income-based rents, a family paying flat rent cannot qualify for the EID even if a family member experiences an event that would qualify the family for the EID. If the family later chooses to pay income-based rent, they would only qualify for the EID if a new qualifying event occurred.

Under the EID original calculation method, a family currently paying flat rent that previously qualified for the EID while paying income-based rent and is currently within their exclusion period would have the exclusion period continue while paying flat rent as long as the employment that is the subject of the exclusion continues. A family paying flat rent could therefore see a family member's exclusion period expire while the family is paying flat rent.

Under the EID revised calculation method, a family currently paying flat rent that previously qualified for the EID while paying income-based rent and is currently within their exclusion period would have the exclusion period continue while paying flat rent regardless whether employment that is the subject of the exclusion continues. A family paying flat rent could therefore see a family member's exclusion period expire while the family is paying flat rent.

**EXHIBIT 6-1: ANNUAL INCOME INCLUSIONS**

**24 CFR 5.609**

*(a) Annual income means all amounts, monetary or not, which:*

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

*(b) Annual income includes, but is not limited to:*

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments.

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31<sup>1</sup>; and

(B) Are not otherwise excluded under paragraph (c) of this section.

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<sup>1</sup> Text of 45 CFR 260.31 follows (next page).

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section)

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

#### **HHS DEFINITION OF "ASSISTANCE"**

#### **45 CFR: GENERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES**

#### **260.31 What does the term "assistance" mean?**

(a)(1) The term "assistance" includes cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

(2) It includes such benefits even when they are:

(i) Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and

(ii) Conditioned on participation in work experience or community service (or any other work activity under 261.30 of this chapter).

(3) Except where excluded under paragraph (b) of this section, it also includes supportive services such as transportation and child care provided to families who are not employed.

(b) [The definition of "assistance"] excludes: (1) Nonrecurrent, short-term benefits that:

(i) Are designed to deal with a specific crisis situation or episode of need;

(ii) Are not intended to meet recurrent or ongoing needs; and

(iii) Will not extend beyond four months.

(2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

(3) Supportive services such as child care and transportation provided to families who are employed;

(4) Refundable earned income tax credits;

(5) Contributions to, and distributions from, Individual Development Accounts;

(6) Services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and

(7) Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of [the Social Security] Act, to an individual who is not otherwise receiving assistance

## EXHIBIT 6-2: ANNUAL INCOME EXCLUSIONS

### 24 CFR 5.609

(c) Annual income does not include the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- (3) 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 (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in Sec. 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) (i) Amounts received under training programs funded by HUD;
- (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

(9) Temporary, nonrecurring or sporadic income (including gifts);

(10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

(11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of \$480 per adopted child;

(13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for

purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See the following chart for a list of benefits that qualify for this exclusion.]

## EXHIBIT 6-3: TREATMENT OF FAMILY ASSETS

### 24 CFR 5.603(b) Net Family Assets

(1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

(2) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Sec. 5.609.

(3) In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

(4) For purposes of determining annual income under Sec. 5.609, the term "net family assets" does not include the value of a home currently being purchased with assistance under part 982, subpart M of this title. This exclusion is limited to the first 10 years after the purchase date of the home.

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## EXHIBIT 6-4: EARNED INCOME DISALLOWANCE

### 24 CFR 960.255 Self-sufficiency incentive—Disallowance of increase in annual income.

(a) *Definitions.* The following definitions apply for purposes of this section.

*Baseline income.* The annual income immediately prior to implementation of the disallowance described in paragraph (c)(1) of this section of a person who is a member of a qualified family.

*Disallowance.* Exclusion from annual income.

*Previously unemployed* includes a person who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

*Qualified family.* A family residing in public housing:

- (i) Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;
- (ii) Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
- (iii) Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance—provided that the total amount over a six-month period is at least \$500.

(b) *Disallowance of increase in annual income.*

(1) *Initial twelve month exclusion.* During the 12-month period beginning on the date on which a member of a qualified family is first employed

or the family first experiences an increase in annual income attributable to employment, the PHA must exclude from the annual income (as defined in § 5.609 of this title) of a qualified family any increase in the income of the family member as a result of employment over the baseline income of that family member.

(2) *Phase-in of rent increase.* Upon the expiration of the 12-month period defined in paragraph (b)(1) of this section and for the subsequent 12-month period, the PHA must exclude from the annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.

(3) *Maximum 2-year disallowance.* The disallowance of increased income of an individual family member as provided in paragraph (b)(1) or (b)(2) of this section is limited to a lifetime 24-month period. It applies for a maximum of 12 months for disallowance under paragraph (b)(1) of this section and a maximum of 12 months for disallowance under paragraph (b)(2) of this section, during the 24-month period starting from the initial exclusion under paragraph (b)(1) of this section.

(4) *Effect of changes on currently participating families.* Families eligible for and participating in the disallowance of earned income under this section prior to May 9, 2016 will continue to be governed by this section in effect as it existed immediately prior to that date.

(c) *Inapplicability to admission.* The disallowance of increases in income as a result of employment under this section does not apply for purposes of admission to the program (including the determination of income eligibility and income targeting).

(d) *Individual Savings Accounts*. As an alternative to the disallowance of increases in income as a result of employment described in paragraph (b) of this section, a PHA may choose to provide for individual savings accounts for public housing residents who pay an income-based rent, in accordance with a written policy, which must include the following provisions:

(1) The PHA must advise the family that the savings account option is available;

(2) At the option of the family, the PHA must deposit in the savings account the total amount that would have been included in tenant rent payable to the PHA as a result of increased income that is disallowed in accordance with paragraph (b) of this section;

(3) Amounts deposited in a savings account may be withdrawn only for the purpose of:

(i) Purchasing a home;

(ii) Paying education costs of family members;

(iii) Moving out of public or assisted housing; or

(iv) Paying any other expense authorized by the PHA for the purpose of promoting the economic self-sufficiency of residents of public housing;

(4) The PHA must maintain the account in an interest bearing investment and must credit the family with the net interest income, and the PHA may not charge a fee for maintaining the account;

(5) At least annually the PHA must provide the family with a report on the status of the account; and

(6) If the family moves out of public housing, the PHA shall pay the tenant any balance in the account, minus any amounts owed to the PHA

## EXHIBIT 6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION

### 24 CFR 5.615

#### **Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.**

*(a) Applicability.* This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

*(b) Definitions.* The following definitions apply for purposes of this section:

*Covered families.* Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

*Economic self-sufficiency program.* See definition at Sec. 5.603.

*Imputed welfare income.* The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

*Specified welfare benefit reduction.*

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

*(c) Imputed welfare income.*

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

*(d) Review of PHA decision.*

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination

of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

*(e) PHA relation with welfare agency.*

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.

## **Chapter 7**

### **VERIFICATION**

[24 CFR 960.259, 24 CFR 5.230, Notice PIH 2010-19]

#### **INTRODUCTION**

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.

The PHA will follow the verification guidance provided by HUD in Notice PIH 2010-19 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary PHA policies.

Part I describes the general verification process. Part II provides more detailed requirements related to family information. Part III provides information on income and assets, and Part IV covers mandatory deductions.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies established by the PHA.

#### **PART I: GENERAL VERIFICATION REQUIREMENTS**

##### **7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION**

**[24 CFR 960.259, 24 CFR 5.230]**

The family must supply any information that the PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information [24 CFR 960.259(a)(1)].

##### **Consent Forms**

It is required that all adult applicants and tenants sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

##### **Penalties for Failing to Consent [24 CFR 5.232]**

If any family member who is required to sign a consent form fails to do so, the PHA will deny admission to applicants and terminate the lease of tenants. The family may request a hearing in accordance with the PHA's grievance procedures.

## **7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS**

### **HUD's Verification Hierarchy [Notice PIH 2010-19]**

HUD mandates the use of the EIV system and offers administrative guidance on the use of other methods to verify family information and specifies the circumstances in which each method will be used. In general, HUD requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

#### HACSA Policy

In order of priority, the forms of verification that HACSA will use are:

- Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
- Up-front Income Verification (UIV) using a non-HUD system
- Written Third Party Verification (may be provided by applicant or resident)
- Written Third-party Verification Form
- Oral Third-party Verification
- Self-Certification

Each of the verification methods is discussed in subsequent sections below.

### **Requirements for Acceptable Documents**

#### HACSA Policy

Any documents used for verification must be the original or valid copy and generally must be dated within 60 days of the date they are provided to HACSA. The documents must not be damaged, altered or in any way illegible.

Print-outs from web pages and emailed original documents are considered original documents.

HACSA staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to HACSA and must be signed in the presence of a HACSA representative or HACSA notary public.

## **File Documentation**

The PHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this ACOP. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

### HACSA Policy

HACSA will document, in the family file, the following:

- Reported family annual income

- Value of assets

- Expenses related to deductions from annual income

- Other factors influencing the adjusted income or income-based rent determination

When the PHA is unable to obtain third-party verification, the PHA will document in the family file the reason that third-party verification was not available [24 CFR 960.259(c)(1); Notice PIH 2010-19].

## **7-I.C. UP-FRONT INCOME VERIFICATION (UIV)**

Up-front income verification (UIV) refers to the PHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to the PHA.

There may be legitimate differences between the information provided by the family and UIV-generated information. If the family disputes the accuracy of UIV data, no adverse action can be taken until the PHA has independently verified the UIV information and the family has been granted the opportunity to contest any adverse findings through the PHA's informal review/hearing processes. (For more on UIV and income projection, see section 6-I.C.)

### **Upfront Income Verification Using HUD's Enterprise Income Verification (EIV) System (Mandatory)**

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with 24 CFR 5.236 and administrative guidance issued by HUD. HUD's EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families. The following policies apply to the use of HUD's EIV system.

#### ***EIV Income Reports***

The data shown on income reports is updated quarterly. Data may be between three and six months old at the time reports are generated.

##### HACSA Policy

HACSA will obtain income reports for annual reexaminations.

Income reports will be compared to family-provided information as part of the annual reexamination process and may be used in the calculation of annual income, as described in Chapter 6.I.C. Income reports may also be used to meet the regulatory requirement for third party verification, as described above. Policies for resolving discrepancies between income reports and family-provided information will be resolved as described in Chapter 6.I.C. and in this chapter.

Income reports will be used in interim reexaminations to identify any discrepancies between reported income and income shown in the EIV system, and as necessary to verify and calculate earned income, unemployment benefits, Social Security and/or SSI benefits. EIV will also be used to verify that families claiming zero income are not receiving income from any of these sources.

Income reports will be retained in resident files with the applicable annual or interim reexamination documents.

When HACSA determines through income reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 15, Program Integrity.

### ***EIV Identity Verification***

The EIV system verifies resident identities against Social Security Administration (SSA) records. These records are compared to Public and Indian Housing Information Center (PIC) data for a match on social security number, name, and date of birth.

PHAs are required to use EIV's *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV [Notice PIH 2012-10].

When identity verification for a resident fails, a message will be displayed within the EIV system and no income information will be displayed.

#### HACSA Policy

HACSA will identify residents whose identity verification has failed by reviewing EIV's *Identity Verification Report* on a monthly basis. HACSA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the tenant. When HACSA determines that discrepancies exist as a result of HACSA errors, such as spelling errors or incorrect birth dates, it will correct the errors promptly.

### **Upfront Income Verification Using Non-HUD Systems (Optional)**

In addition to mandatory use of the EIV system, HUD encourages PHAs to utilize other upfront verification sources.

#### HACSA Policy

HACSA will inform all applicants and residents of its use of the following UIV resources during the admission and reexamination process:

HUD's EIV system

Department of Human Services

Oregon Employment Division

Oregon Child Support Enforcement Division

## **7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION**

HUD's current verification hierarchy defines two types of written third-party verification. The more preferable form, "written third-party verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

### **Written Third-Party Verification [Notice PIH 2010-19]**

Written third-party verification documents must be original and authentic and may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.

#### HACSA Policy

Third-party documents provided by the family must generally be dated within 60 days of the HACSA request date.

If HACSA determines that third-party documents provided by the family are not acceptable, HACSA will explain the reason to the family and request additional documentation.

As verification of earned income, HACSA will require the family to provide payroll documents or paystubs for at least the most current month.

## **Written Third-Party Verification Form**

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

PHAs may mail, fax, or e-mail third-party written verification form requests to third-party sources.

### HACSA Policy

HACSA will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable from the Applicant or Resident or are rejected by HACSA.

## **Oral Third-Party Verification [Notice PIH 2010-19]**

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs should document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

### HACSA Policy

In collecting third-party oral verification, HACSA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification HACSA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

### **When Third-Party Verification is Not Required [Notice PIH 2010-19]**

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

#### HACSA Policy

If the family cannot provide original documents, HACSA may pay a service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

#### ***Primary Documents***

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

#### ***Imputed Assets***

The PHA may accept a self-certification from the family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

#### HACSA Policy

HACSA will accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

#### ***Value of Assets and Asset Income [24 CFR 960.259]***

For families with net assets totaling \$5,000 or less, the PHA may accept the family's declaration of asset value and anticipated asset income. However, the PHA is required to obtain third-party verification of all assets regardless of the amount during the intake process and at least every three years thereafter.

#### HACSA Policy

For families with net assets totaling \$5,000 or less, HACSA will accept the family's self-certification of the value of family assets and anticipated asset income when applicable. HACSA will use third-party documentation for assets as part of the intake process and every three years thereafter.

## **7-I.E. SELF-CERTIFICATION**

When HUD requires third-party verification, self-certification, or “tenant declaration,” is used as a last resort when the PHA is unable to obtain third-party verification.

Self-certification, however, is an acceptable form of verification when:

- A source of income is fully excluded
- Net family assets total \$5,000 or less and the PHA has adopted a policy to accept self certification at annual recertification, when applicable
- The PHA has adopted a policy to implement streamlined annual recertifications for fixed sources of income (See Chapter 9)

When the PHA was required to obtain third-party verification but instead relies on a tenant declaration for verification of income, assets, or expenses, the family’s file must be documented to explain why third-party verification was not available.

### HACSA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to HACSA.

HACSA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to HACSA and must be signed by the family member whose information or status is being verified.



## PART II: VERIFYING FAMILY INFORMATION

### 7-II.A. VERIFICATION OF LEGAL IDENTITY

#### HACSA Policy

HACSA will require families to furnish verification of legal identity for each household member.

<b>Verification of Legal Identity for Adults</b>	<b>Verification of Legal Identity for Children</b>
Certificate of birth, naturalization papers	Certificate of birth
Church issued baptismal certificate	Adoption papers
Current, valid driver's license or Department of Motor Vehicle identification card	Custody agreement
U.S. military discharge (DD 214)	Health and Human Services ID
Current U.S. passport	Certified school records
Current employer identification card	

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at the PHA's discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the PHA and be signed in the presence of a PHA representative or PHA notary public.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the PHA has reason to doubt the identity of a person representing him or herself to be a tenant or a member of a tenant family.

## **7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and Notice PIH 2012-10]**

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

The PHA must accept the following documentation as acceptable evidence of the social security number:

An original SSN card issued by the Social Security Administration (SSA)

An original SSA-issued document, which contains the name and SSN of the individual

An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

The PHA may only reject documentation of an SSN provided by an applicant or resident if the document is not an original document, if the original document has been altered, mutilated, is illegible, or if the document appears to be forged.

### HACSA Policy

HACSA will explain to the applicant or resident the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to HACSA within 90 days.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of program admission, an otherwise eligible family may be admitted and must provide documentation of the child's SSN within 90 days. A 90-day extension will be granted if the PHA determines that the resident's failure to comply was due to unforeseen circumstances and was outside of the resident's control.

### HACSA Policy

HACSA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a resident requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the resident must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

When a resident requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the resident must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the resident's failure to comply was due to unforeseen circumstances and was outside of the resident's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

### HACSA Policy

HACSA will grant one additional 90-day extension if needed for reasons beyond the resident's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously-assisted occupancy.

HACSA Policy

HACSA will verify each disclosed SSN by:

Obtaining documentation from applicants and residents that is acceptable as evidence of social security numbers

Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "verified," the PHA may, at its discretion, remove and destroy copies of documentation accepted as evidence of social security numbers. The retention of the EIV Summary Report or Income Report is adequate documentation of an individual's SSN.

HACSA Policy

Once an individual's status is classified as "verified" in HUD's EIV system, HACSA will maintain all records in the tenant file and will store tenant files in a secure manner.

**7-II.C. DOCUMENTATION OF AGE**

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

HACSA Policy

If an official record of birth or evidence of social security retirement benefits cannot be provided, HACSA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

Age must be verified only once during continuously-assisted occupancy.

## **7-II.D. FAMILY RELATIONSHIPS**

Applicants and tenants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

### HACSA Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

## **Marriage**

### HACSA Policy

Certification by the head of household is normally sufficient verification. If HACSA has reasonable doubts about a marital relationship, HACSA will require the family to document the marriage with a marriage certificate or other documentation to verify that the couple is married.

In the case of a common law marriage, the couple must demonstrate that they hold themselves to be married (e.g., by telling the community they are married, calling each other husband and wife, using the same last name, filing joint income tax returns).

## **Separation or Divorce**

### HACSA Policy

Certification by the head of household is normally sufficient verification. If HACSA has reasonable doubts about a divorce or separation, HACSA will require the family to provide documentation of the divorce or separation with a certified copy of a divorce decree, signed by a court officer; a copy of a court-ordered maintenance or other court record; or other documentation that shows a couple is divorced or separated.

If no court document is available, documentation from a community-based agency will be accepted.

## **Absence of Adult Member**

### HACSA Policy

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill).

## **Foster Children and Foster Adults**

### HACSA Policy

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

## **7-II.E. VERIFICATION OF STUDENT STATUS**

### HACSA Policy

HACSA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

The family claims full-time student status for an adult other than the head, spouse, or cohead, or

The family claims a child care deduction to enable a family member to further his or her education.

## **7-II.F. DOCUMENTATION OF DISABILITY**

The PHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The PHA is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)]. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA will not place this information in the tenant file. Under no circumstances will the PHA request a resident's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services' Web site at [www.os.dhhs.gov](http://www.os.dhhs.gov).

The PHA may make the following inquiries, provided it makes them of all applicants, whether or not they are persons with disabilities [VG, p. 24]:

- Inquiry into an applicant's ability to meet the requirements of ownership or tenancy
- Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability
- Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability
- Inquiry about whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- Inquiry about whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

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

Verification of receipt of disability benefits from the Social Security Administration (SSA) is sufficient for verification of disability for the purpose of qualification for waiting list preferences or certain income disallowances and deductions [VG, p. 23].

#### HACSA Policy

For family members claiming disability who receive disability payments from the SSA, HACSA will attempt to obtain information about disability benefits through HUD's Enterprise Income Verification (EIV) system. If documentation is not available through HUD's EIV system, HACSA will utilize available UIV systems. If documentation is not available through EIV or UIV, or if HACSA questions the accuracy of UIV, HACSA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If a family member is unable to provide the document, HACSA will ask the family to obtain and provide a benefit verification letter to HACSA.

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

Receipt of veteran's disability benefits, worker's compensation, or other non-SSA benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.403, necessary to qualify for waiting list preferences or certain income disallowances and deductions.

### HACSA Policy

For family members claiming disability who do not receive SSI or other disability payments from the SSA, a qualified professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The qualified professional will verify whether the family member does or does not meet the HUD definition.

## **7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5.508]**

### **Overview**

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. See the Eligibility chapter for detailed discussion of eligibility requirements. This chapter (7) discusses HUD and PHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy [24 CFR 5.508(g)(5)]

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

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.

### HACSA Policy

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless HACSA receives information indicating that an individual's declaration may not be accurate.

## **Eligible Immigrants**

### ***Documents Required***

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 7-1 at the end of this chapter summarizes documents family members must provide.

### ***PHA Verification*** [HCV GB, pp 5-3 and 5-7]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in 7-II.C. of this ACOP. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the U.S. Citizenship and Immigration Services (USCIS).

The PHA will follow all USCIS protocols for verification of eligible immigration status.

## **7-II.H. VERIFICATION OF PREFERENCE STATUS**

The PHA must verify any preferences claimed by an applicant that determined his or her placement on the waiting list.

### HACSA Policy

HACSA will require verification of VAWA preference or the need for reasonable accommodation preference, for families residing in Section 8 properties managed by HACSA.

Verification of VAWA may include, but not be limited to, any of the resources listed on form HUD-50066.

Verification of need for reasonable accommodation will be pursuant to HACSA's reasonable accommodation policy.

## **PART III: VERIFYING INCOME AND ASSETS**

Chapter 6, Part I of this ACOP describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets and income reported by the family must be verified. This part provides PHA policies that supplement the general verification procedures specified in Part I of this chapter.

### **7-III.A. EARNED INCOME**

#### **Tips**

##### HACSA Policy

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

#### **Wages**

##### HACSA Policy

As verification of earned income, HACSA will require the family to provide payroll documents or paystubs for at least the most current month. HACSA may require the applicant or resident to provide additional documentation for variable income, when year to date is not available or when additional information is needed to accurately determine the income, rent or eligibility.

### **7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME**

##### HACSA Policy

Business owners and self-employed persons will be required to provide:

An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.

All schedules completed for filing federal and local taxes in the preceding year.

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

HACSA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination HACSA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, HACSA will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months. If the family member has been self-employed for three (3) to twelve (12) months HACSA will require the family to provide documentation of income and expenses for this period and use that information to project income.

### **7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS**

For policies governing streamlined income determinations for fixed sources of income, please see Chapter 9.

#### **Social Security/SSI Benefits**

##### HACSA Policy

To verify the SS/SSI benefits of applicants, HACSA will use a current (dated within the last 60 days) SSA benefit verification letter from each family member who receives social security benefits or may use UIV to verify benefits.

To verify the SS/SSI benefits of residents, HACSA will use information about social security/SSI benefits through HUD's EIV system or UIV, and confirm with the resident(s) that the current listed benefit amount is correct. If the resident disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, HACSA will request a current SSA benefit verification letter from each family member that receives social security benefits.

## 7-III.D. ALIMONY OR CHILD SUPPORT

### HACSA Policy

The methods HACSA will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments.

If the family declares that it *receives regular payments*, verification will be obtained in the following order of priority:

Child Support Enforcement UIV System

Copies of the receipts and/or payment stubs for the 60 days prior to HACSA request

Third-party verification form from the state or local child support enforcement agency

Third-party verification form from the person paying the support

Family's self-certification of amount received

If the family declares that it *receives irregular or no payments*, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:

A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts

If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

**Note:** Families are not required to undertake independent enforcement action.

### **7-III.E. ASSETS AND INCOME FROM ASSETS**

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

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. The PHA needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].

##### HACSA Policy

HACSA will verify the value of assets disposed of only if:

HACSA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

Example 1: An elderly resident reported a \$10,000 certificate of deposit at the last annual reexamination and the PHA verified this amount. Now the person reports that she has given this \$10,000 to her son. The PHA has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.

Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately 5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the PHA will verify the value of this asset.

### **7-III.F. NET INCOME FROM RENTAL PROPERTY**

##### HACSA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, HACSA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

### **7-III.G. RETIREMENT ACCOUNTS**

#### HACSA Policy

HACSA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

The type of original document that will be accepted depends upon the family member's retirement status.

### **7-III.H. INCOME FROM EXCLUDED SOURCES**

A detailed discussion of excluded income is provided in Chapter 6, Part I.

HUD guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the PHA is **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds) [Notice PIH 2013-04].

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional documentation. However, if there is any doubt that a source of income qualifies for full exclusion, PHAs have the option of requiring additional verification.

For partially excluded income, the PHA **is** required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student, or income excluded under the earned income disallowance).

#### HACSA Policy

HACSA will accept the family's self-certification as verification of fully excluded income. HACSA may request additional documentation if necessary to document the income source.

HACSA will verify the source and amount of partially excluded income as described in Part 1 of this chapter.

### **7-III.I. ZERO ANNUAL INCOME STATUS**

#### HACSA Policy

HACSA will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SS, SSI, earned income, etc. are not being received by families claiming to have zero annual income.

Families will be required to fill out and submit HACSA's "Zero Income Questionnaire".

## **PART IV: VERIFYING MANDATORY DEDUCTIONS**

### **7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS**

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

#### **Dependent Deduction**

See Chapter 6 (6-II.B.) for a full discussion of this deduction. The PHA will verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full time student

#### **Elderly/Disabled Family Deduction**

See the Eligibility chapter for a definition of elderly and disabled families and Chapter 6 (6-II.C.) for a discussion of the deduction. The PHA will verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

## **7-IV.B. MEDICAL EXPENSE DEDUCTION**

Policies related to medical expenses are found in 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

### **Amount of Expense**

#### HACSA Policy

Medical expenses will be verified through:

Written third-party documents provided by the family, such as pharmacy printouts or receipts.

HACSA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. HACSA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms, if the family is unable to provide acceptable documentation.

If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

In addition, the PHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

## **Eligible Household**

The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62 or a person with disabilities. The PHA will verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter, and as described in Chapter 7 (7-IV.A) of this plan.

## **Qualified Expenses**

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses. See Chapter 6 (6-II.D.) for the PHA's policy on what counts as a medical expense.

## **Unreimbursed Expenses**

To be eligible for the medical expenses deduction, the costs must not be reimbursed by another source.

### HACSA Policy

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

## **Expenses Incurred in Past Years**

### HACSA Policy

When anticipated costs are related to on-going payment of medical bills incurred in past years, HACSA will verify:

The anticipated repayment schedule

The amounts paid in the past, and

Whether the amounts to be repaid have been deducted from the family's annual income in past years

## **7-IV.C. DISABILITY ASSISTANCE EXPENSES**

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

### **Amount of Expense**

#### ***Attendant Care***

##### HACSA Policy

HACSA will accept written third-party documents provided by the family.

If family-provided documents are not available, HACSA will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

#### ***Auxiliary Apparatus***

##### HACSA Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party or document review is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

In addition, the PHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in 6-II.E.).
- The expense is not reimbursed from another source (as described in 6-II.E.).

### **Family Member is a Person with Disabilities**

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

### **Family Member(s) Permitted to Work**

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

#### HACSA Policy

HACSA will request third-party verification from a rehabilitation agency or qualified medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another adult family member, or members, to work (See 6-II.E.). This documentation may be provided by the family.

If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

### **Unreimbursed Expenses**

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

#### HACSA Policy

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source and it enables a family member, or members, (including the person with disabilities) to work.

#### **7-IV.D. CHILD CARE EXPENSES**

Policies related to child care expenses are found in Chapter 6 (6-II.F). The amount of the deduction will be verified following the standard verification procedures described in Part I. In addition, the PHA must verify that:

- The child is eligible for care (12 or younger).
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further their education.
- The costs are for an allowable type of child care.
- The costs are reasonable.

#### **Eligible Child**

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

#### **Unreimbursed Expense**

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

#### HACSA Policy

The family and the care provider will be required to certify that the child care expenses are not paid by or reimbursed to the family from any source.

## **Pursuing an Eligible Activity**

The PHA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

### HACSA Policy

#### *Information to be Gathered*

HACSA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

#### *Seeking Work*

Whenever possible HACSA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases HACSA will request family-provided verification from the agency of the member's job seeking efforts to date and require the family to submit to HACSA any reports provided to the other agency.

In the event third-party verification is not available, HACSA will provide the family with a form on which the family member must record job search efforts. HACSA will review this information at each subsequent reexamination for which this deduction is claimed.

#### *Furthering Education*

HACSA will request third-party documentation to verify that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

#### *Gainful Employment*

HACSA will seek third-party verification of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

## **Allowable Type of Child Care**

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

### HACSA Policy

HACSA will verify that the type of child care selected by the family is allowable, as described in Chapter 6 (6-II.F).

HACSA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

HACSA will verify that the child care provider is not an *assisted* family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

## **Reasonableness of Expenses**

Only reasonable child care costs can be deducted.

### HACSA Policy

The actual costs the family incurs will be compared with HACSA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, HACSA may request additional documentation, as required, to support a determination that the higher cost is appropriate.

**Exhibit 7-1: Summary of Documentation Requirements for Noncitizens  
[HCV GB, pp. 5-9 and 5-10]**

- All noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA.
- Except for persons 62 or older, all noncitizens must sign a verification consent form
- Additional documents are required based upon the person's status.

**Elderly Noncitizens**

- A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.

**All other Noncitizens**

- Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.

- Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
- Form I-94 Arrival-Departure Record annotated with one of the following:
  - “Admitted as a Refugee Pursuant to Section 207”
  - “Section 208” or “Asylum”
  - “Section 243(h)” or “Deportation stayed by Attorney General”
  - “Paroled Pursuant to Section 221 (d)(5) of the USCIS”

- Form I-94 Arrival-Departure Record with no annotation accompanied by:
  - A final court decision granting asylum (but only if no appeal is taken);
  - A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90);
  - A court decision granting withholding of deportation; or
  - A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).

- Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”.

- Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”.

- A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or
- Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*



## Chapter 8

### LEASING AND INSPECTIONS

[24 CFR 5, Subpart G; 24 CFR 966, Subpart A]

#### INTRODUCTION

Public housing leases are the contractual basis of the legal relationship between the PHA and the tenant. All units must be occupied pursuant to a dwelling lease agreement that complies with HUD regulations.

HUD regulations require the PHA to inspect each dwelling unit prior to move-in, at move-out, and annually during the period of occupancy. In addition, the PHA may conduct additional inspections in accordance with PHA policy.

This chapter is divided into two parts as follows:

Part I: Leasing. This part describes pre-leasing activities and the PHA's policies pertaining to lease execution, lease modification, and payments under the lease.

Part II: Inspections. This part describes the PHA's policies for inspecting dwelling units.

#### PART I: LEASING

##### 8-I.A. OVERVIEW

An eligible family may occupy a public housing dwelling unit under the terms of a lease. The lease must meet all regulatory requirements, and must also comply with applicable state and local laws and codes.

The term of the lease must be for a period of 12 months. The lease must be renewed automatically for another 12-month term, except that the PHA may not renew the lease if the family has violated the community service requirement [24 CFR 966.4(a)(2)].

Part I of this chapter contains regulatory information on leasing, where applicable, as well as the PHA's leasing policies.

## **8-I.B. LEASE ORIENTATION**

### HACSA Policy

After unit acceptance but prior to occupancy, a HACSA representative will conduct a lease orientation with the family. All adult family members are required to attend.

### **Orientation Agenda**

#### HACSA Policy

When families attend the intake interview and the lease orientation, they will be provided with:

- A copy of the lease

- A copy of the HACSA's grievance procedure

- A copy of the community rules (house rules)

- A copy of the HACSA's schedule of maintenance handbook and schedule of maintenance charges

- A copy of "Is Fraud Worth It?" (Form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse

- A copy of "What You Should Know about EIV," a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19

- Information about the protections afforded by the Violence against Women Reauthorization Act of 2013 (VAWA) to victims of domestic violence, dating violence, sexual assault, and stalking (see section 16-VII.C)

Topics to be discussed and explained to all families include:

- Applicable deposits and all other charges

- Review and explanation of lease provisions

- Unit maintenance requests and work orders

- The HACSA's interim reporting requirements

- Review and explanation of occupancy forms

- Community service requirements

- Family choice of rent

- VAWA protections

### **8-I.C. EXECUTION OF LEASE**

The lease must be executed by the tenant and the PHA, except for automatic renewals of a lease [24 CFR 966.4(a)(3)].

A lease is executed at the time of admission for all new residents. A new lease is also executed at the time of transfer from one PHA unit to another.

The lease must state the composition of the household as approved by the PHA (family members and any PHA-approved live-in aide) [24 CFR 966.4(a)(1)(v)]. See Section 8-I.D. for policies regarding changes in family composition during the lease term.

#### HACSA Policy

The head of household, spouse or cohead, and all other adult family members will be required to sign the public housing lease prior to admission. An appointment will be scheduled for the parties to execute the lease. The head of household will be provided a copy of the executed lease and HACSA will retain a copy in the resident's file.

Files for households that include a live-in aide will contain file documentation signed by the live-in aide, that the live-in aide is not a party to the lease and is not entitled to HACSA assistance. The live-in aide is only approved to live in the unit while serving as the care attendant for the family member who requires the care.

## **8-I.D. MODIFICATIONS TO THE LEASE**

The lease may be modified at any time by written agreement of the tenant and the PHA [24 CFR 966.4(a)(3)].

### **Modifications to the Lease Form**

The PHA may modify its lease from time to time. However, the PHA must give residents at least thirty (30) days advance notice of the proposed changes and an opportunity to comment on the changes. The PHA must also consider any comments before formally adopting a new lease [24 CFR 966.3].

After proposed changes have been incorporated into the lease and approved by the Board, each family must be notified at least 60 days in advance of the effective date of the new lease or lease revision. A resident's refusal to accept permissible and reasonable lease modifications that are made in accordance with HUD requirements, or are required by HUD, is grounds for termination of tenancy [24 CFR 966.4(l)(2)(iii)(E)].

#### HACSA Policy

The family will have 30 days to accept the revised lease. If the family does not accept the offer of the revised lease within that 30 day timeframe, the family's tenancy will be terminated for other good cause in accordance with the policies in Chapter 13.

Schedules of special charges and rules and regulations are subject to modification or revision. Because these schedules are incorporated into the lease by reference, residents and resident organizations must be provided at least thirty days written notice of the reason(s) for any proposed modifications or revisions, and must be given an opportunity to present written comments. The notice must be delivered directly or mailed to each tenant; or posted in at least three conspicuous places within each structure or building in which the affected dwelling units are located, as well as in a conspicuous place at the project office, if any, or if none, a similar central business location within the project. Comments must be taken into consideration before any proposed modifications or revisions become effective [24 CFR 966.5].

After the proposed revisions become effective they must be publicly posted in a conspicuous manner in the project office and must be furnished to applicants and tenants on request [24 CFR 966.5].

#### HACSA Policy

When HACSA proposes to modify or revise schedules of special charges or rules and regulations, HACSA will post a copy of the notice in the central office, and will mail a copy of the notice to each resident family. Documentation of proper notice will be included in each resident file.

## **Other Modifications**

### HACSA Policy

The lease will be amended to reflect all changes in family composition.

If, for any reason, any member of the household ceases to reside in the unit, the lease may be amended by drawing a line through the person's name. The head of household and HACSA will be required to initial and date the change.

If a new adult household member is approved by HACSA to reside in the unit, the person's name and birth date will be added to a new lease. All adult family members and HACSA will be required to sign the new lease.

If a new household member is a minor approved by HACSA to reside in the unit, the person's name and birth date will be added to the existing lease. The head of household and HACSA will be required to sign and date the change.

Policies governing when and how changes in family composition must be reported are contained in Chapter 9, Reexaminations.

### **8-I.E. SECURITY DEPOSITS [24 CFR 966.4(b)(5)]**

At the option of the PHA, the lease may require security deposits. The amount of the security deposit cannot exceed one month's rent or a reasonable fixed amount as determined by the PHA. The PHA may allow for gradual accumulation of the security deposit by the family, or the family may be required to pay the security deposit in full prior to occupancy. Subject to applicable laws, interest earned on security deposits may be refunded to the tenant after vacating the unit, or used for tenant services or activities.

#### HACSA Policy

Residents must pay a security deposit to HACSA at the time of admission. The amount of the security deposit will be based on bedroom size, and must be paid in full prior to occupancy.

HACSA will hold the security deposit for the period the family occupies the unit. HACSA will not use the security deposit for rent or other charges while the resident is living in the unit.

Within 30 days of move-out, HACSA will provide the resident with a written list of any charges against the security deposit and refund to the resident the amount of the security deposit (including interest earned on the security deposit), less any amount needed to pay the cost of unpaid rent, damages listed on the move-out inspection report that exceed normal wear and tear, and other charges due under the lease. If the resident disagrees with the amount charged, HACSA will provide a meeting to discuss the charges.

If the resident transfers to another unit, HACSA will transfer the security deposit to the new unit. If the security deposit in the new unit is higher, the tenant will be required to pay the difference between the "old" and "new" unit. The tenant will be billed for any maintenance or other charges due for the "old" unit.

## **8-I.F. PAYMENTS UNDER THE LEASE**

### **Rent Payments [24 CFR 966.4(b)(1)]**

Families must pay the amount of the monthly tenant rent determined by the PHA in accordance with HUD regulations and other requirements. The amount of the tenant rent is subject to change in accordance with HUD requirements.

The lease must specify the initial amount of the tenant rent at the beginning of the initial lease term, and the PHA must give written notice stating any change in the amount of tenant rent and when the change is effective.

#### HACSA Policy

The tenant rent is due and payable at the HACSA-designated location on the first of every month. HACSA accepts checks, money orders, and automatic debit payments on bank accounts for rent. HACSA does not accept cash. HACSA may choose to allow electronic payments or other methods as advances in technology permit.

If a family's tenant rent changes, HACSA will notify the family of the new amount and the effective date by sending a lease rider which will become an attachment to the lease.

## **Late Fees and Nonpayment**

At the option of the PHA, the lease may provide for payment of penalties when the family is late in paying tenant rent [24 CFR 966.4(b)(3)].

The lease must provide that late payment fees are not due and collectible until two weeks after the PHA gives written notice of the charges. The written notice is considered an adverse action, and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right for a hearing under the PHA grievance procedures. The PHA must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

### HACSA Policy

If the family fails to pay their rent by the seventh day of the month, and HACSA has not agreed to accept payment at a later date, a 14 day Notice to Vacate (72 Hour Notice with 14 days to pay) will be issued to the resident for failure to pay rent, demanding payment in full or the surrender of the premises.

In addition, if the resident fails to make payment by the end of office hours on the seventh day of the month, a late fee of \$50.00 will be charged. Notices of late fees will be in accordance with requirements regarding notices of adverse action. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, HACSA may not take action for nonpayment of the fee until the conclusion of the grievance process.

When a check is returned for insufficient funds or is written on a closed account, the rent will be considered unpaid and a returned check fee will be charged to the family. The fee will be due and payable 14 days after billing.

## **Excess Utility Charges**

If the PHA charges the tenant for consumption of excess utilities, the lease must state the basis for the determination of such charges. The imposition of charges for consumption of excess utilities is permissible only if the charges are determined by an individual check meter servicing the leased unit or result from the use of major tenant-supplied appliances [24 CFR 966.4(b)(2)].

Schedules of special charges for utilities that are required to be incorporated in the lease by reference must be publicly posted in a conspicuous manner in the development office and must be furnished to applicants and tenants on request [24 CFR 966.5].

The lease must provide that charges for excess utility consumption are not due and collectible until two weeks after the PHA gives written notice of the charges. The written notice is considered an adverse action, and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right to a hearing under the PHA grievance procedures. The PHA must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

### HACSA Policy

When applicable, families will be charged for excess utility usage according to HACSA's current posted schedule. Notices of excess utility charges will be mailed monthly and will be in accordance with requirements regarding notices of adverse actions. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, the PHA may not take action for nonpayment of the charges until the conclusion of the grievance process.

Nonpayment of excess utility charges is a violation of the lease and is grounds for eviction.

## **Maintenance and Damage Charges**

If the PHA charges the tenant for maintenance and repair beyond normal wear and tear, the lease must state the basis for the determination of such charges [24 CFR 966.4(b)(2)].

Schedules of special charges for services and repairs which are required to be incorporated in the lease by reference must be publicly posted in a conspicuous manner in the development office and must be furnished to applicants and tenants on request [24 CFR 966.5].

The lease must provide that charges for maintenance and repair beyond normal wear and tear are not due and collectible until two weeks after the PHA gives written notice of the charges. The written notice is considered an adverse action, and must meet the requirements governing a notice of adverse action [24 CFR 966.4(b)(4)].

The notice of proposed adverse action must identify the specific grounds for the action and inform the family of their right for a hearing under the PHA grievance procedures. The PHA must not take the proposed action until the time for the tenant to request a grievance hearing has expired, or (if a hearing was requested within the required timeframe,) the grievance process has been completed [24 CFR 966.4(e)(8)].

### HACSA Policy

When applicable, families will be charged for maintenance and/or damages according to HACSA's current schedule. Work that is not covered in the schedule will be charged based on the actual cost of labor and materials to make needed repairs (including overtime, if applicable).

Notices of maintenance and damage charges will be mailed monthly and will be in accordance with requirements regarding notices of adverse actions. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, HACSA may not take action for nonpayment of the charges until the conclusion of the grievance process.

Nonpayment of maintenance and damage charges is a violation of the lease and is grounds for eviction.

## **PART II: INSPECTIONS**

### **8-II.A. OVERVIEW**

HUD regulations require the PHA to inspect each dwelling unit prior to move-in, at move-out, and annually during occupancy. In addition, the PHA may require additional inspections, in accordance with HACSA Policy. This part contains the PHA's policies governing inspections, notification of unit entry, and inspection results.

### **8-II.B. TYPES OF INSPECTIONS**

#### **Move-In Inspections [24 CFR 966.4(i)]**

The lease must require the PHA and the family to inspect the dwelling unit prior to occupancy in order to determine the condition of the unit and equipment in the unit. A copy of the initial inspection, signed by the PHA and the tenant, must be provided to the tenant and retained in the resident file.

#### HACSA Policy

Head of household is required to attend the initial inspection and sign the inspection form.

#### **Move-Out Inspections [24 CFR 966.4(i)]**

The PHA must inspect the unit at the time the resident vacates the unit and must allow the resident to participate in the inspection if he or she wishes, unless the tenant vacates without notice to the PHA. The PHA must provide to the tenant a statement of any charges to be made for maintenance and damage beyond normal wear and tear.

The difference between the condition of the unit at move-in and move-out establishes the basis for any charges against the security deposit so long as the work needed exceeds that for normal wear and tear.

#### HACSA Policy

When applicable, HACSA will provide the tenant with a statement of charges to be assessed for maintenance and damage beyond normal wear and tear, within 30 calendar days of vacating.

#### **Annual Inspections [24 CFR 5.705]**

Section 6(f)(3) of the United States Housing Act of 1937 requires that PHAs inspect each public housing project annually to ensure that the project's units are maintained in decent, safe, and sanitary condition. The PHA shall continue using the Uniform Physical Condition Standards (UPCS) in 24 CFR 5, Subpart G, Physical Condition Standards and Inspection Requirements, to conduct annual project inspections. These standards address the inspection of the site area, building systems and components, and dwelling units.

#### HACSA Policy

HACSA will inspect all occupied units annually using HUD's Uniform Physical Condition Standards (UPCS).

## **Quality Control Inspections**

The purpose of quality control inspections is to assure that all defects were identified in the original inspection, and that repairs were completed at an acceptable level of craftsmanship and within an acceptable time frame

### HACSA Policy

Supervisory quality control inspections will be conducted in accordance with HACSA's Quality Control Plan.

## **Special Inspections**

### HACSA Policy

HACSA staff may conduct a special inspection for reasons such as, but not limited to:

Housekeeping

Unit condition

Suspected lease violation

Preventive maintenance

Routine maintenance

Preparation for HUD, REAC or other inspections

There is reasonable cause to believe an emergency exists

## **Other Inspections**

### HACSA Policy

Building exteriors, grounds, common areas and systems will be inspected according to the HACSA's maintenance plan.

## **8-II.C. NOTICE AND SCHEDULING OF INSPECTIONS**

### **Notice of Entry**

#### ***Non-emergency Entries [24 CFR 966.4(j)(1)]***

The PHA may enter the unit, with reasonable advance notification to perform routine inspections and maintenance, make improvements and repairs, or to show the unit for re-leasing. A written statement specifying the purpose of the PHA entry delivered to the dwelling unit at least two days before such entry is considered reasonable advance notification.

#### HACSA Policy

HACSA will notify the resident in writing at least 48 hours prior to any non-emergency inspection.

For regular annual inspections, the family will receive written notice of no less than 7 calendar days prior to the inspection to allow the family to prepare the unit for the inspection.

Entry for repairs requested by the family will not require prior notice. Resident-requested repairs presume permission for the HACSA to enter the unit.

#### ***Emergency Entries [24 CFR 966.4(j)(2)]***

The PHA may enter the dwelling unit at any time without advance notice when there is reasonable cause to believe that an emergency exists. If no adult household member is present at the time of an emergency entry, the PHA must leave a written statement showing the date, time and purpose of the entry prior to leaving the dwelling unit.

### **Scheduling of Inspections**

#### HACSA Policy

Inspections will be conducted during business hours. If a family needs to reschedule an inspection, they must notify HACSA at least 24 hours prior to the scheduled inspection. HACSA may reschedule the inspection no more than once unless the resident has a verifiable good cause to delay the inspection. HACSA may request verification of such cause.

### **Attendance at Inspections**

Residents are required to be present for move-in inspections [24 CFR 966.4(i)]. There is no such requirement for other types of inspections.

#### HACSA Policy

Except at move-in inspections, the resident is not required to be present for the inspection. The resident may attend the inspection if he or she wishes.

If no one is at home, the inspector will enter the unit, conduct the inspection and leave the resident a copy of the inspection report.

## **8-II.D. INSPECTION RESULTS**

The PHA is obligated to maintain dwelling units and the project in decent, safe and sanitary condition and to make necessary repairs to dwelling units [24 CFR 966.4(e)].

### **Emergency Repairs [24 CFR 966.4(h)]**

If the unit is damaged to the extent that conditions are created which are hazardous to the life, health, or safety of the occupants, the tenant must immediately notify the PHA of the damage, and the PHA must make repairs within a reasonable time frame.

If the damage was caused by a household member or guest, the PHA must charge the family for the reasonable cost of repairs. The PHA may also take lease enforcement action against the family.

If the PHA cannot make repairs quickly, the PHA must offer the family standard alternative accommodations. If the PHA can neither repair the defect within a reasonable time frame nor offer alternative housing, rent shall be abated in proportion to the seriousness of the damage and loss in value as a dwelling. Rent shall not be abated if the damage was caused by a household member or guest, or if the resident rejects the alternative accommodations.

### HACSA Policy

When conditions in the unit are hazardous to life, health, or safety, HACSA will make repairs or otherwise abate the situation within 24 hours.

Defects hazardous to life, health or safety include, but are not limited to, the following:

- Any condition that jeopardizes the security of the unit

- Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling

- Natural or LP gas or fuel oil leaks

- Any electrical problem or condition that could result in shock or fire

- Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit

- Utilities not in service, including no running hot water for more than 48 hours

- Conditions that present the imminent possibility of injury

- Obstacles that prevent safe entrance or exit from the unit

- Absence of a functioning toilet in the unit

- Inoperable smoke detectors

## **Non-emergency Repairs**

### HACSA Policy

HACSA will correct non-life threatening health and safety defects within 20 business days of the inspection date. If HACSA is unable to make repairs within that period, HACSA will notify the family of an estimated date of completion.

The family must allow HACSA access to the unit to make repairs.

## **Resident-Caused Damages**

### HACSA Policy

Damages to the unit beyond wear and tear will be billed to the tenant in accordance with the policies in 8-I.G., Maintenance and Damage Charges.

Repeated or excessive damages to the unit beyond normal wear and tear will be considered a serious or repeated violation of the lease.

## ***Housekeeping***

### HACSA Policy

Residents whose housekeeping habits pose a non-emergency health or safety risk, encourage insect or rodent infestation, or cause damage to the unit are in violation of the lease. In these instances, HACSA will provide proper notice of a lease violation.

A reinspection will be conducted within 30 days to confirm that the resident has complied with the requirement to abate the problem. Failure to abate the problem or allow for a reinspection is considered a violation of the lease and may result in termination of tenancy in accordance with Chapter 13.

Notices of lease violation will also be issued to residents who purposely disengage the unit's smoke detector. Only one warning will be given. A second incidence will result in lease termination.



## Chapter 9

### REEXAMINATIONS

[24 CFR 960.257, 960.259, 966.4]

#### INTRODUCTION

The PHA is required to reexamine each family's income and composition periodically, and to adjust the family's rent accordingly. PHAs must adopt policies for conducting annual and interim reexaminations that are consistent with regulatory requirements, and must conduct reexaminations in accordance with such policies [24 CFR 960.257(c)].

The frequency with which the PHA must reexamine the income and composition of a family depends on whether the family pays income-based rent or flat rent. HUD requires the PHA to offer all families the choice of paying income-based rent or flat rent at least annually. The PHA's policies for offering families a choice of rents are located in Chapter 6.

This chapter discusses both annual and interim reexaminations.

Part I: Annual Reexaminations for Families Paying Income Based Rents. This part discusses the requirements for annual reexamination of income and family composition. Full reexaminations are conducted at least once a year for families paying income-based rents.

Part II: Reexaminations for Families Paying Flat Rents. This part contains the PHA's policies for conducting full reexaminations of family income and composition for families paying flat rents. These full reexaminations are conducted at least once every 3 years. This part also contains the PHA's policies for conducting annual updates of family composition for flat rent families.

Part III: Interim Reexaminations. This part includes HUD requirements and PHA policies related to when a family may and must report changes that occur between annual reexaminations.

Part IV: Recalculating Tenant Rent. After gathering and verifying required information for an annual or interim reexamination, the PHA must recalculate the tenant rent. While the basic policies that govern these calculations are provided in Chapter 6, this part describes the policies that affect these calculations during a reexamination.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this ACOP, apply to annual and interim reexaminations.



## **PART I: ANNUAL REEXAMINATIONS FOR FAMILIES PAYING INCOME-BASED RENTS [24 CFR 960.257]**

### **9-I.A. OVERVIEW**

For those families who choose to pay income-based rent, the PHA must conduct a reexamination of income and family composition at least annually [24 CFR 960.257(a)(1)]. For families who choose flat rents, the PHA must conduct a reexamination of family composition at least annually, and must conduct a reexamination of family income at least once every 3 years [24 CFR 960.257(a)(2)]. Policies related to the reexamination process for families paying flat rent are located in Part II of this chapter.

For all residents of public housing, whether those residents are paying income-based or flat rents, the PHA must conduct an annual review of community service requirement compliance. This annual reexamination is also a good time to have residents sign consent forms for criminal background checks in case the criminal history of a resident is needed at some point for the purposes of lease enforcement or eviction.

The PHA is required to obtain all of the information necessary to conduct reexaminations. How that information will be collected is left to the discretion of the PHA. Families are required to provide current and accurate information on income, assets, allowances and deductions, family composition and community service compliance as part of the reexamination process [24 CFR 960.259].

This part contains the PHA's policies for conducting annual reexaminations.

### **9-I.B STREAMLINED ANNUAL REEXAMINATIONS [24 CFR 960.257]**

HUD permits PHAs to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years the PHA may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. The PHA may, however, obtain third-party verification of all income, regardless of the source.

Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

#### HACSA Policy

HACSA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources when the information is not available through EIV or UIV. If verification of the COLA or rate of interest is not available, HACSA will obtain third-party verification of income amounts.

Third-party verification of fixed sources of income will be obtained during the intake process and at least once every three years thereafter.

### **9-I.C. SCHEDULING ANNUAL REEXAMINATIONS**

The PHA must establish a policy to ensure that the annual reexamination for each family paying an income-based rent is completed within a 12 month period [24 CFR 960.257(a)(1)].

#### HACSA Policy

Generally, HACSA will schedule annual reexaminations to coincide with the family's anniversary date. HACSA will begin the annual reexamination process approximately 120 days in advance of the scheduled effective date.

*Anniversary date* is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

If the family transfers to a new unit, HACSA will process the transfer as an "Other Change of Unit", but a full reexamination will not be conducted, and the anniversary date will not be changed. If the family experiences a change in income or expenses that are applicable to HACSA's interim policy, HACSA will process an interim reexamination.

HACSA may also schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

## **Notification of and Participation in the Annual Reexamination Process**

The PHA is required to obtain information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of the PHA. However, PHAs should give tenants who were not provided the opportunity to provide contact information at the time of admission the option to complete Form HUD-92006 at this time. The PHA should provide the family with the opportunity to update, change, or remove information from the HUD-92006 at the time of the annual reexamination [Notice PIH 2009-36].

### HACSA Policy

Families are required to participate in the annual reexamination process, and adult family members may be required to attend an interview. If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact HACSA to request a reasonable accommodation.

If a family fails to comply with HACSA's annual reexamination process, the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

An advocate, interpreter, or other assistant may assist the family in the interview process.

## **9-I.D. CONDUCTING ANNUAL REEXAMINATIONS**

The terms of the public housing lease require the family to furnish information regarding income and family composition as may be necessary for the redetermination of rent, eligibility, and the appropriateness of the housing unit [24 CFR 966.4(c)(2)].

### HACSA Policy

Families will be asked to provide all required information (as described in the reexamination notice) to HACSA. The required information will include a HACSA-designated reexamination form, an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documentation related to the family's income, expenses, and family composition.

Any required documents or information requested by HACSA must be must be provided within 14 calendar days of HACSA's request. If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

The information provided by the family generally must be verified in accordance with the policies in Chapter 7. Unless the family reports a change, or the agency has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity
- Age
- Social security numbers
- A person's disability status
- Citizenship or immigration status

## **Change in Unit Size**

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. The PHA may use the results of the annual reexamination to require the family to move to an appropriate size unit [24 CFR 960.257(a)(4)]. Policies related to such transfers are located in Chapter 12.

## **Criminal Background Checks**

Information obtained through criminal background checks may be used for lease enforcement and eviction [24 CFR 5.903(e)(1)(ii)]. Criminal background checks of residents will be conducted in accordance with the policy in Section 13-IV.B.

### HACSA Policy

As part of the annual reexamination process, each household member age 18 and over will be required to execute a consent form for a criminal background check, which may be used as part of the lease enforcement process.

Additionally, HUD recommends that at annual reexaminations PHAs ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state [Notice PIH 2012-28].

### HACSA Policy

At the annual reexamination, HACSA will ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state. HACSA will use the Law Enforcement Data System (LEDS) to verify the information provided by the tenant.

If the PHA proposes to terminate assistance based on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to termination. [24 CFR 5.903(f) and 5.905(d)]. (See Chapter 13.)

## **Compliance with Community Service**

For families who include nonexempt individuals, the PHA must determine compliance with community service requirements once each 12 months [24 CFR 960.257(a)(3)].

See Chapter 11 for the PHA's policies governing compliance with the community service requirement.

## 9-I.E. EFFECTIVE DATES

As part of the annual reexamination process, the PHA must make appropriate adjustments in the rent after consultation with the family and upon verification of the information [24 CFR 960.257(a)(1)].

### HACSA Policy

In general, an *increase* in the tenant rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

If the family causes a delay in processing the annual reexamination, *increases* in the tenant rent will be applied retroactively, to the scheduled effective date of the annual reexamination. The family will be responsible for any underpaid rent and may be offered a repayment agreement in accordance with the policies in Chapter 16.

In general, a *decrease* in the tenant rent that results from an annual reexamination will take effect on the family's anniversary date.

If the family causes a delay in processing the annual reexamination, *decreases* in the tenant rent will be applied prospectively, from the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by the PHA by the date specified, and this delay prevents the PHA from completing the reexamination as scheduled.



**PART II: REEXAMINATIONS FOR FAMILIES PAYING FLAT RENTS**  
**[24 CFR 960.257(2)]**

**9-II.A. OVERVIEW**

HUD requires that the PHA offer all families the choice of paying income-based rent or flat rent at least annually. The PHA's policies for offering families a choice of rents are located in Chapter 6.

For families who choose flat rents, the PHA must conduct a reexamination of family composition at least annually, and must conduct a reexamination of family income at least once every 3 years [24 CFR 960.257(a)(2)]. The PHA is only required to provide the amount of income-based rent the family might pay in those years that the PHA conducts a full reexamination of income and family composition, or upon request of the family after the family submits updated income information [24 CFR 960.253(e)(2)].

As it does for families that pay income-based rent, the PHA must also review compliance with the community service requirement for families with nonexempt individuals.

This part contains the PHA's policies for conducting reexaminations of families who choose to pay flat rents.

**9-II.B. FULL REEXAMINATION OF FAMILY INCOME AND COMPOSITION**

**Frequency of Reexamination**

HACSA Policy

For families paying flat rents, HACSA will conduct a full reexamination of family composition annually and family income once every 3 years.

**Reexamination Policies**

HACSA Policy

In conducting full reexaminations for families paying flat rents, HACSA will follow the policies used for the annual reexamination of families paying income-based rent as set forth in Sections 9-I.B through 9-I.D above.

## **9-II.C. REEXAMINATION OF FAMILY COMPOSITION (“ANNUAL UPDATE”)**

As noted above, full reexaminations are conducted every 3 years for families paying flat rents. In the years between full reexaminations, regulations require the PHA to conduct a reexamination of family composition (“annual update”) [24 CFR 960.257(a)(2)].

The annual update process is similar to the annual reexamination process, except that the PHA does not collect information about the family’s income and expenses, and the family’s rent is not recalculated following an annual update.

### **Scheduling**

The PHA must establish a policy to ensure that the reexamination of family composition for families choosing to pay the flat rent is completed at least annually [24 CFR 960.257(a)(2)].

#### HACSA Policy

For families paying flat rents, updates of family composition will be conducted annually.

In scheduling the annual update, HACSA will follow the policy used for scheduling the annual reexamination of families paying income-based rent as set forth in Section 9-I.B. above.

### **Conducting Annual Updates**

The terms of the public housing lease require the family to furnish information necessary for the redetermination of rent and family composition [24 CFR 966.4(c)(2)].

#### HACSA Policy

Generally, the family will not be required to attend an interview for an annual update. However, if HACSA determines that an interview is warranted, the family will be required to attend.

Notification of the annual update will be sent by first-class mail and will inform the family of the information and documentation that must be provided to HACSA. The family will have 14 calendar days to submit the required information to HACSA. If the family is unable to obtain the information or documents within the required time frame, the family may request an extension. HACSA will accept required documentation by mail, by fax, electronically or in person.

If the family’s submission is incomplete, or the family does not submit the information in the required time frame, HACSA will send a second written notice to the family. The family will have 14 calendar days from the date of the second notice to provide the missing information or documentation to HACSA.

If the family does not provide the required documents or information within the required time frame (plus any extensions), the family will be in violation of their lease and may be terminated in accordance with the policies in Chapter 13.

### ***Change in Unit Size***

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. The PHA may use the results of the annual update to require the family to move to an appropriate size unit [24 CFR 960.257(a)(4)]. Policies related to such transfers are located in Chapter 12.

### ***Criminal Background Checks***

Information obtained through criminal background checks may be used for lease enforcement and eviction [24 CFR 5.903(e)]. Criminal background checks of residents will be conducted in accordance with the policy in Section 13-IV.B.

#### **HACSA Policy**

Each household member age 18 and over will be required to execute a consent form for criminal background check as part of the annual update process.

### ***Compliance with Community Service***

For families who include nonexempt individuals, the PHA must determine compliance with community service requirements once each 12 months [24 CFR 960.257(a)(3)].

See Chapter 11 for the PHA's policies governing compliance with the community service requirement.



## **PART III: INTERIM REEXAMINATIONS [24 CFR 960.257; 24 CFR 966.4]**

### **9-III.A. OVERVIEW**

Family circumstances may change during the period between annual reexaminations. HUD and PHA policies define the types of information about changes in family circumstances that must be reported, and under what circumstances the PHA must process interim reexaminations to reflect those changes. HUD regulations also permit the PHA to conduct interim reexaminations of income or family composition at any time.

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition change. The PHA must complete the interim reexamination within a reasonable time after the family's request.

This part includes HUD and PHA policies that describe the changes families are *required* to report, the changes families *may choose* to report, and how the PHA will process both PHA- and family-initiated interim reexaminations.

### **9-III.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION**

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family composition. However, due to provisions of the public housing lease, the PHA has limited discretion in this area.

Changes in family or household composition may make it appropriate to consider transferring the family to comply with occupancy standards. Policies related to such transfers are located in Chapter 12.

#### HACSA Policy

All families, those paying income-based rent as well as flat rent, must report all changes in family and household composition that occur between annual reexaminations (or annual updates).

HACSA will conduct interim reexaminations to account for any changes in household composition that occur between annual reexaminations.

#### **New Family Members Not Requiring Approval**

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify the PHA of the addition [24 CFR 966.4(a)(1)(v)].

#### HACSA Policy

The family must inform HACSA of the birth, adoption, or court-awarded custody of a child within 14 calendar days.

## **New Family and Household Members Requiring Approval**

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member [24 CFR 966.4(a)(1)(v)] or other household member (live-in aide or foster child) [24 CFR 966.4(d)(3)].

The PHA may adopt reasonable policies concerning residence by a foster child or a live-in aide, and defining the circumstances in which PHA consent will be given or denied. Under such policies, the factors considered by the PHA may include [24 CFR 966.4(d)(3)(i)]:

- Whether the addition of a new occupant may necessitate a transfer of the family to another unit, and whether such units are available.
- The PHA's obligation to make reasonable accommodation for persons with disabilities.

### HACSA Policy

Families must request HACSA approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 14 calendar days per year during any 12-month period and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by HACSA prior to the individual moving into the unit.

If adding a person to a household (other than a child by birth, adoption, or court-awarded custody) will result in exceeding HACSA's occupancy standards and require a transfer to a larger size unit (under the transfer policy in Chapter 12), HACSA may deny the addition of the person, unless the family can demonstrate that there are medical needs or other extenuating circumstances, including reasonable accommodation. Exceptions will be made on a case-by-case basis.

HACSA will not approve the addition of a new family or household member unless the individual meets HACSA's eligibility criteria (see Chapter 3) and documentation requirements (See Chapter 7, Part II).

If HACSA determines that an individual does not meet HACSA's eligibility criteria or documentation requirements, HACSA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

HACSA will make its determination within 14 calendar days of receiving all information required to verify the individual's eligibility.

## **Departure of a Family or Household Member**

### HACSA Policy

If a family member ceases to reside in the unit, the family must inform HACSA within 14 calendar days. This requirement also applies to family members who had been considered temporarily absent, who are now permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform HACSA within 14 calendar days.

### **9-III.C. CHANGES AFFECTING INCOME OR EXPENSES**

Interim reexaminations can be scheduled either because the PHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, the PHA may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.

#### HACSA Policy

This section only applies to families paying income-based rent. Families paying flat rent are not required to report changes in income or expenses.

#### **PHA-initiated Interim Reexaminations**

PHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by the PHA. They are not scheduled because of changes reported by the family.

#### HACSA Policy

HACSA will conduct interim reexaminations in each of the following instances:

For families receiving the Earned Income Disallowance (EID), the PHA will conduct an interim reexamination at the start, to adjust the exclusion with any changes in income, and at the conclusion of the EID.

If at the time of the annual reexamination, it is not feasible to anticipate a level of income for the next 12 months (e.g. seasonal or cyclic income), HACSA may schedule an interim reexamination to coincide with the end of the period for which it is feasible to project income.

If at the time of the annual reexamination, tenant declarations were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, HACSA may conduct an interim reexamination.

HACSA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

## **Family-Initiated Interim Reexaminations**

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 960.257(c)]. In addition, HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 960.257(b)].

### ***Required Reporting***

HUD regulations give the PHA the discretion to determine the circumstances under which families will be required to report changes affecting income.

#### HACSA Policy

Families are required to report all increases in income over \$200, including new employment, within 14 calendar days of the date the change takes effect.

HACSA will only conduct interim reexaminations for families that qualify for the earned income disallowance (EID), and only when the EID family's rent will change as a result of the increase. In all other cases, HACSA will note the information in the tenant file, but will not conduct an interim reexamination.

Families are not required to report any other changes in income or expenses.

### ***Optional Reporting***

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 960.257(b)]. The PHA must process the request if the family reports a change that will result in a reduced family income [PH Occ GB, p. 159].

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income see Chapter 6.

#### HACSA Policy

If a family reports a change that it was not required to report and that would result in an increase in the tenant rent, HACSA will note the information in the tenant file, but will not conduct an interim reexamination unless the family requests an interim to increase rent. An example would be an FSS participant whose increases in rent are deposited into his or her FSS escrow account.

If a family reports a change that it was not required to report and that would result in a decrease in the tenant rent, HACSA will conduct an interim reexamination. See Section 9-III.D. for effective dates.

Families may report changes in income or expenses at any time.

## **9-III.D. PROCESSING THE INTERIM REEXAMINATION**

### **Method of Reporting**

#### HACSA Policy

The family may notify HACSA of changes either orally or in writing. If the family provides oral notice, HACSA will require the family to submit the changes on a HACSA form.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if HACSA determines that an interview is warranted, the family will be required to attend.

Based on the type of change reported, HACSA will determine the documentation the family will be required to submit. The family must submit any required information or documents within 14 calendar days of receiving a request from HACSA. This time frame may be extended for good cause with HACSA approval. HACSA will accept required documentation by mail, by fax, electronically or in person.

### **Effective Dates**

The PHA must make the interim reexamination within a reasonable time after the family request [24 CFR 960.257(b)].

#### HACSA Policy

If the tenant rent is to *increase*:

The increase generally will be effective on the first of the month following 30 days' notice to the family.

If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any underpaid rent and may be offered a repayment agreement in accordance with the policies in Chapter 16.

If the tenant rent is to *decrease*:

Income decreases reported and verified before the tenant accounting cut-off date will be effective the first of the following month. Income decreases reported and verified on or after the tenant accounting cut-off date will be effective the first of the second month. A decrease that is verified to last less than 30 days will not be processed.



## **PART IV: RECALCULATING TENANT RENT**

### **9-IV.A. OVERVIEW**

For those families paying income-based rent, the PHA must recalculate the rent amount based on the income information received during the reexamination process and notify the family of the changes [24 CFR 966.4, 960.257]. While the basic policies that govern these calculations are provided in Chapter 6, this part lays out policies that affect these calculations during a reexamination.

### **9-IV.B. CHANGES IN UTILITY ALLOWANCES [24 CFR 965.507, 24 CFR 966.4]**

The tenant rent calculations must reflect any changes in the PHA's utility allowance schedule [24 CFR 960.253(c)(3)]. Chapter 16 discusses how utility allowance schedules are established.

#### HACSA Policy

Unless HACSA is required to revise utility allowances retroactively, revised utility allowances will be applied to a family's rent calculations at the first interim or annual reexamination after the allowance is adopted.

### **9-IV.C. NOTIFICATION OF NEW TENANT RENT**

The public housing lease requires the PHA to give the tenant written notice stating any change in the amount of tenant rent, and when the change is effective [24 CFR 966.4(b)(1)(ii)].

When the PHA redetermines the amount of rent (Total Tenant Payment or Tenant Rent) payable by the tenant, not including determination of the PHA's schedule of Utility Allowances for families in the PHA's Public Housing Program, or determines that the tenant must transfer to another unit based on family composition, the PHA must notify the tenant that the tenant may ask for an explanation stating the specific grounds of the PHA determination, and that if the tenant does not agree with the determination, the tenant shall have the right to request a hearing under the PHA's grievance procedure [24 CFR 966.4(c)(4)].

#### HACSA Policy

The notice to the family will include the annual and adjusted income amounts that were used to calculate the tenant rent.

#### **9-IV.D. DISCREPANCIES**

During an annual or interim reexamination, the PHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, the PHA may discover errors made by the PHA. When errors resulting in the overpayment or underpayment of rent are discovered, corrections will be made in accordance with the policies in Chapter 15.

## Chapter 10

### PETS

[24 CFR 5, Subpart C; 24 CFR 960, Subpart G]

#### INTRODUCTION

This chapter explains the PHA's policies on the keeping of pets and describes any criteria or standards pertaining to the policies. The rules adopted are reasonably related to the legitimate interest of the PHA to provide a decent, safe and sanitary living environment for all tenants, and to protect and preserve the physical condition of the property, as well as the financial interest of the PHA.

The chapter is organized as follows:

Part I: Service Animals and Assistance Animals. This part explains the difference between service animals, assistance animals, and pets, and contains policies related to the designation of a service animal or assistance animal as well as their care and handling.

Part II: Pet policies for all developments. This part includes pet policies that are common to both elderly/disabled developments and general occupancy developments.

Part III: Pet deposits and fees for elderly/disabled developments. This part contains policies for pet deposits and fees that are applicable to elderly/disabled developments.

Part IV: Pet deposits and fees for general occupancy developments. This part contains policies for pet deposits and fees that are applicable to general occupancy developments.



## **PART I: SERVICE ANIMALS AND ASSISTANCE ANIMALS**

[Section 504; Fair Housing Act (42 U.S.C.); 24 CFR 5.303; 24 CFR 960.705;  
Notice FHEO 2013-01]

### **10-I.A. OVERVIEW**

This part discusses situations under which permission for a service animal or an assistance animal may be denied, and also establishes standards for the care of service and assistance animals.

Notice FHEO 2013-01 was published April 25, 2013. The notice explains the difference between service animals and assistance animals. While the ADA applies to the premises of public housing agencies and to “public accommodations” such as stores and movie theaters, it does not apply to private-market rental housing. Therefore, in public housing the PHA must evaluate a request for a service animal under both the ADA and the Fair Housing Act. Service animals are limited to trained dogs.

Neither service animals nor assistance animals are pets, and thus, are not subject to the PHA’s pet policies described in Parts II through IV of this chapter [24 CFR 5.303; 960.705; Notice FHEO 2013-01].

## **10-I.B. APPROVAL OF SERVICE ANIMALS AND ASSISTANCE ANIMALS**

Notice FHEO 2013-01 states that the PHA should first evaluate the request as a service animal under the ADA. The PHA may only ask whether the dog is a service animal required due to a disability, and what tasks the animal has been trained to perform.

The PHA cannot require proof of training or certification for a service animal, even if the disability and/or tasks performed are not readily apparent. If the disability and/or tasks performed are not readily apparent, no further inquiries may be made.

PHAs may only deny a request for a service animal in limited circumstances:

- The animal is out of control and the handler does not take effective action to control it
- The animal is not housebroken, or
- The animal poses a direct threat to health or safety that cannot be eliminated or reduced by a reasonable modification of other policies

A service animal must be permitted in all areas of the facility where members of the public are allowed.

If the animal does not qualify as a service animal under the ADA, the PHA must next determine whether the animal would qualify as an assistance animal under the reasonable accommodation provisions of the Fair Housing Act. Such assistance animals may include animals other than dogs.

A person with a disability is not automatically entitled to have an assistance animal. Reasonable accommodation requires that there is a relationship between the person's disability and his or her need for the animal [PH Occ GB, p. 179].

A PHA may not refuse to allow a person with a disability to have an assistance animal merely because the animal does not have formal training. Some, but not all, animals that assist persons with disabilities are professionally trained. Other assistance animals are trained by the owners themselves and, in some cases, no special training is required. The question is whether or not the animal performs the assistance or provides the benefit needed by the person with the disability [PH Occ GB, p. 178].

A PHA's refusal to permit persons with a disability to use and live with an assistance animal that is needed to assist them, would violate Section 504 of the Rehabilitation Act and the Fair Housing Act unless [PH Occ GB, p. 179]:

- There is reliable objective evidence that the animal poses a direct threat to the health or safety of others that cannot be reduced or eliminated by a reasonable accommodation
- There is reliable objective evidence that the animal would cause substantial physical damage to the property of others

PHAs have the authority to regulate service animals and assistance animals under applicable federal, state, and local law [24 CFR 5.303(b)(3); 960.705(b)(3)].

#### HACSA Policy

For an animal to be excluded from the pet policy and be considered a service animal, it must be a trained dog, and there must be a person with disabilities in the household who requires the dog's services.

For an animal to be excluded from the pet policy and be considered an assistance animal, there must be a person with disabilities in the household, and the family must request and HACSA approve a reasonable accommodation in accordance with the policies contained in Chapter 2.

### **10-I.C. CARE AND HANDLING**

HUD regulations do not affect any authority a PHA may have to regulate service animals and assistance animals under federal, state, and local law [24 CFR 5.303; 24 CFR 960.705].

#### HACSA Policy

Residents must care for service animals and assistance animals in a manner that complies with state and local laws, including anti-cruelty laws.

Residents must ensure that service animals and assistance animals do not pose a direct threat to the health or safety of others, or cause substantial physical damage to the development, dwelling unit, or property of other residents.

When a resident's care or handling of a service animal or assistance animal violates these policies, HACSA will consider whether the violation could be reduced or eliminated by a reasonable accommodation. If HACSA determines that no such accommodation can be made, HACSA may withdraw the approval of a particular service or assistance animal.



## **PART II: PET POLICIES FOR ALL DEVELOPMENTS**

[24 CFR 5, Subpart C; 24 CFR 960, Subpart G]

### **10-II.A. OVERVIEW**

The purpose of a pet policy is to establish clear guidelines for ownership of pets and to ensure that no applicant or resident is discriminated against regarding admission or continued occupancy because of ownership of pets. It also establishes reasonable rules governing the keeping of common household pets. This part contains pet policies that apply to all developments.

### **10-II.B. MANAGEMENT APPROVAL OF PETS**

#### **Registration of Pets**

PHAs may require registration of the pet with the PHA [24 CFR 960.707(b)(5)].

#### HACSA Policy

Pets must be registered with HACSA before they are brought onto the premises.

Registration includes documentation signed by a licensed veterinarian or state/local authority that the pet has received all inoculations required by state or local law, and that the pet has no communicable disease(s) and is pest-free. Pet authorization will be renewed annually and will be coordinated with the annual reexamination date.

Pets will not be approved to reside in a unit until completion of the registration requirements.

## **Refusal to Register Pets**

### HACSA Policy

HACSA will refuse to register a pet if:

The pet is not *a common household pet* as defined in Section 10-II.C. below

Keeping the pet would violate any pet restrictions listed in this policy

The pet owner fails to provide complete pet registration information, or fails to obtain annual authorization from HACSA of pet ownership

The applicant or tenant has previously been charged with animal cruelty under state or local law; or has been evicted, had to relinquish a pet or been prohibited from future pet ownership due to pet rule violations or a court order

HACSA reasonably determines that the pet owner is unable to keep the pet in compliance with the pet rules and other lease obligations. The pet's temperament and behavior may be considered as a factor in determining the pet owner's ability to comply with provisions of the lease.

If HACSA refuses to register a pet, a written notification will be sent to the pet owner within 14 calendar days of HACSA's decision. The notice will state the reason for refusing to register the pet and will inform the family of their right to appeal the decision in accordance with HACSA grievance procedures.

## **Pet Agreement**

### HACSA Policy

Residents who have been approved to have a pet must enter into a pet agreement with HACSA, or the approval of the pet will be withdrawn.

The pet agreement is the resident's certification that he or she has received a copy of HACSA's pet policy and applicable house rules, that he or she has read the policies and/or rules, understands them, and agrees to comply with them.

The resident further certifies by signing the pet agreement that he or she understands that noncompliance with HACSA's pet policy and applicable house rules may result in the withdrawal of HACSA approval of the pet or termination of tenancy.

## **10-II.C. STANDARDS FOR PETS [24 CFR 5.318; 960.707(b)]**

PHAs may establish reasonable requirements related to pet ownership including, but not limited to:

- Limitations on the number of animals in a unit, based on unit size
- Prohibitions on types of animals that the PHA classifies as dangerous, provided that such classifications are consistent with applicable state and local law
- Prohibitions on individual animals, based on certain factors, including the size and weight of the animal
- Requiring pet owners to have their pets spayed or neutered

PHAs may not require pet owners to have any pet's vocal cords removed.

### **Definition of "Common Household Pet"**

There is no regulatory definition of common household pet for public housing programs, although the regulations for pet ownership in both elderly/disabled and general occupancy developments use the term. The regulations for pet ownership in elderly/disabled developments expressly authorize PHAs to define the term [24 CFR 5.306(2)].

#### HACSA Policy

*Common household pet* means a domesticated animal, such as a dog, cat, bird, or fish that is traditionally recognized as a companion animal and is kept in the home for pleasure rather than commercial purposes. Gerbils, rabbits, guinea pigs and hamsters are considered common household pets but must be caged.

The following animals are not considered common household pets:

Reptiles

Rats or mice

Insects

Arachnids

Wild animals or feral animals

Pot-bellied pigs

Animals used for commercial breeding

## **Pet Restrictions**

### HACSA Policy

The following animals are not permitted:

Any animal whose adult weight will exceed 30 pounds and whose shoulder height will exceed 15 inches

Dogs of the pit bull, Rottweiler, German shepherd, Doberman pinscher, spitz, or chow breeds. HACSA reserves the right to prohibit other breeds as necessary.

Ferrets or other animals whose natural protective mechanisms pose a risk to small children of serious bites or lacerations

Any animal not permitted under state or local law or code

## **Number of Pets**

### HACSA Policy

Residents may own a maximum of 2 pets, only 1 of which may be a dog.

Residents may have 1 guinea pig, hamster, rabbit or gerbil.

In the case of fish, residents may keep no more than can be maintained in a safe and healthy manner in a tank holding up to 20 gallons. Such a tank or aquarium will be counted as 1 pet.

## **Other Requirements**

### HACSA Policy

Dogs and cats must be spayed or neutered at the time of registration or, in the case of underage animals, within 30 days of the pet reaching 6 months of age. Exceptions may be made upon veterinary certification that subjecting this particular pet to the procedure would be temporarily or permanently medically unsafe or unnecessary.

Pets must be licensed in accordance with state or local law. Residents must provide proof of licensing at the time of registration and annually, in conjunction with the resident's annual reexamination.

## **10-II.D. PET RULES**

Pet owners must maintain pets responsibly, in accordance with PHA policies, and in compliance with applicable state and local public health, animal control, and animal cruelty laws and regulations [24 CFR 5.315; 24 CFR 960.707(a)].

### **Pet Area Restrictions**

#### HACSA Policy

Pets must be maintained within the resident's unit. When outside of the unit (within the building or on the grounds) dogs and cats must be kept on a leash or carried. They must be under the control of the resident or other responsible individual at all times.

Pets other than dogs or cats must be kept in a cage or carrier when outside of the unit.

Gerbils, birds, turtles, hamsters, rabbits and guinea pigs must be caged at all times, inside and outside of the unit.

Pets are not permitted in common areas including lobbies, community rooms and laundry areas except for those common areas which are entrances to and exits from the building.

Pet owners are not permitted to exercise pets or permit pets to deposit waste on project premises outside of the areas designated for such purposes.

### **Designated Pet/No-Pet Areas [24 CFR 5.318(g), PH Occ GB, p. 182]**

PHAs may designate buildings, floors of buildings, or sections of buildings as no-pet areas where pets generally may not be permitted. Pet rules may also designate buildings, floors of building, or sections of building for residency by pet-owning tenants.

PHAs may direct initial tenant moves as may be necessary to establish pet and no-pet areas. The PHA may not refuse to admit, or delay admission of, an applicant on the grounds that the applicant's admission would violate a pet or no-pet area. The PHA may adjust the pet and no-pet areas or may direct such additional moves as may be necessary to accommodate such applicants for tenancy or to meet the changing needs of the existing tenants.

PHAs may not designate an entire development as a no-pet area, since regulations permit residents to own pets.

#### HACSA Policy

HACSA has not designated any buildings, floors of buildings, or sections of buildings as no-pet areas. In addition, HACSA has not designated any buildings, floors of buildings, or sections of buildings for residency of pet-owning tenants.

## **Cleanliness**

### HACSA Policy

The pet owner shall be responsible for the removal of waste by placing it in a sealed plastic bag and disposing of it in a container provided by HACSA.

The pet owner shall take adequate precautions to eliminate any pet odors within or around the unit and to maintain the unit in a sanitary condition at all times.

Litter box requirements:

Pet owners must promptly dispose of waste from litter boxes and must maintain litter boxes in a sanitary manner.

Litter must be cleaned daily and changed at least weekly.

Litter shall not be disposed of by being flushed through a toilet.

Litter boxes shall be kept inside the resident's dwelling unit.

## **Alterations to Unit**

### HACSA Policy

Pet owners shall not alter their unit, patio, premises or common areas to create an enclosure for any animal with HACSA.

Installation of pet doors is prohibited.

## **Noise**

### HACSA Policy

Pet owners must agree to control the noise of pets so that such noise does not constitute a nuisance to other residents or interrupt their peaceful enjoyment of their housing unit or premises. This includes, but is not limited to loud or continuous barking, howling, whining, biting, scratching, chirping, or other such activities.

## **Pet Care**

### HACSA Policy

Each pet owner shall be responsible for adequate care, nutrition, exercise and medical attention for his/her pet.

Each pet owner shall be responsible for appropriately training and caring for his/her pet to ensure that the pet is not a nuisance or danger to other residents and does not damage PHA property.

No animals may be allowed outside unleashed unless there is a fully fenced area for the animal.

When outside the unit or fully fenced area for the animal, animals must be leashed or carried at all times or under the control of the resident or other responsible individuals.

No animals may be tethered or chained inside or outside the dwelling unit at any time.

## **Responsible Parties**

### HACSA Policy

The pet owner will be required to designate a responsible party for the care of the pet if the health or safety of the pet is threatened by the death or incapacity of the pet owner, or by other factors that render the pet owner unable to care for the pet. The designated responsible party must not be another resident of HACSA-managed housing.

A resident who cares for another resident's pet must notify HACSA and sign a statement that they agree to abide by all of the pet rules.

## **Pets Temporarily on the Premises**

### HACSA Policy

Pets that are not owned by a tenant are not allowed on the premises. Residents are prohibited from feeding or harboring stray animals.

This rule does not apply to visiting pet programs sponsored by a humane society or other non-profit organizations, and approved by HACSA.

## **Pet Rule Violations**

### HACSA Policy

Complaints include, but are not limited to, sustained barking, whining, howling, growling, etc., of 15 minutes or more, affecting the peaceful enjoyment of other residents.

All complaints of cruelty and all dog bites will be referred to animal control or an applicable agency for investigation and enforcement.

If a determination is made on objective facts supported by written statements, that a resident/pet owner has violated the pet rules, written notice will be served.

The notice will contain a brief statement of the factual basis for the determination and the pet rule(s) that were violated. The notice will also state:

That the pet owner has 14 calendar days from the effective date of the service of notice to correct the violation or make written request for a meeting to discuss the violation

That the pet owner is entitled to be accompanied by another person of his or her choice at the meeting

That the pet owner's failure to correct the violation, request a meeting, or appear at a requested meeting may result in initiation of procedures to remove the pet, or to terminate the pet owner's tenancy

## **Notice for Pet Removal**

### HACSA Policy

If the pet owner and HACSA are unable to resolve the violation at the meeting or the pet owner fails to correct the violation in the time period allotted by HACSA, HACSA may serve notice to remove the pet.

The notice will contain:

A brief statement of the factual basis for HACSA's determination of the pet rule that has been violated

The requirement that the resident /pet owner must remove the pet within 30 calendar days of the notice

A statement that failure to remove the pet may result in the initiation of termination of tenancy procedures

## **Pet Removal**

### HACSA Policy

If the death or incapacity of the pet owner threatens the health or safety of the pet, or other factors occur that render the owner unable to care for the pet, the situation will be reported to the responsible party designated by the pet owner.

If the responsible party is unwilling or unable to care for the pet, or if HACSA after reasonable efforts cannot contact the responsible party, HACSA may contact the appropriate state or local agency and request the removal of the pet.

## **Termination of Tenancy**

### HACSA Policy

HACSA may initiate procedures for termination of tenancy based on a pet rule violation if:

The pet owner has failed to remove the pet or correct a pet rule violation within the time period specified

The pet rule violation is sufficient to begin procedures to terminate tenancy under terms of the lease

## **Emergencies**

### HACSA Policy

HACSA will take all necessary steps to ensure that pets that become vicious, display symptoms of severe illness, or demonstrate behavior that constitutes an immediate threat to the health or safety of others, are immediately removed from the premises by referring the situation to the appropriate state or local entity authorized to remove such animals.

If it is necessary for HACSA to place the pet in a shelter facility, the cost will be the responsibility of the pet owner.

If the pet is removed as a result of any aggressive act on the part of the pet, the pet will not be allowed back on the premises.



## **PART III: PET DEPOSITS AND FEES IN ELDERLY/DISABLED DEVELOPMENTS**

### **10-III.A. OVERVIEW**

This part describes the PHA's policies for pet deposits and fees in elderly, disabled and mixed population developments. Policies governing deposits and fees in general occupancy developments are described in Part IV.

### **10-III.B. PET DEPOSITS**

#### **Payment of Deposit**

The PHA may require tenants who own or keep pets in their units to pay a refundable pet deposit. This deposit is in addition to any other financial obligation generally imposed on tenants of the project [24 CFR 5.318(d)(1)].

The maximum amount of pet deposit that may be charged by a PHA on a per dwelling unit basis, is the higher of the total tenant payment (TTP) or such reasonable fixed amount as the PHA may require. The PHA may permit gradual accumulation of the pet deposit by the pet owner [24 CFR 5.318(d)(3)].

The pet deposit is not part of the rent payable by the resident [24 CFR 5.318(d)(5)].

#### HACSA Policy

Pet owners are required to pay a pet deposit in addition to any other required deposits. The amount of the deposit is the higher of the family's total tenant payment or \$150.00, and must be paid in full before the pet is brought on the premises.

#### **Refund of Deposit [24 CFR 5.318(d)(1)]**

The PHA may use the pet deposit only to pay reasonable expenses directly attributable to the presence of the pet, including (but not limited to) the costs of repairs and replacements to, and fumigation of, the tenant's dwelling unit. The PHA must refund the unused portion of the pet deposit to the tenant within a reasonable time after the tenant moves from the project or no longer owns or keeps a pet in the unit.

#### HACSA Policy

HACSA will refund the pet deposit to the resident, less the costs of any damages caused by the pet to the dwelling unit, within 30 days of move-out or removal of the pet from the unit.

The resident will be billed for any amount that exceeds the pet deposit.

HACSA will provide the resident with a written list of any charges against the pet deposit within 14 calendar days of the move-out inspection. If the resident disagrees with the amount charged to the pet deposit, HACSA will provide a meeting to discuss the charges.

## **10-III.C. OTHER CHARGES**

### **Pet-Related Damages During Occupancy**

#### HACSA Policy

All reasonable expenses incurred by HACSA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including:

The cost of repairs and replacements to the resident's dwelling unit

Fumigation of the dwelling unit

Repairs to common areas of the project

The expense of flea elimination shall also be the responsibility of the resident.

If the resident is in occupancy when such costs occur, the resident shall be billed for such costs in accordance with the policies in Section 8-I.G, Maintenance and Damage Charges. Pet deposits will not be applied to the costs of pet-related damages during occupancy.

Charges for pet-related damage are not part of rent payable by the resident.

### **Pet Waste Removal Charge**

The regulations do not address the PHA's ability to impose charges for house pet rule violations. However, charges for violation of PHA pet rules may be treated like charges for other violations of the lease and PHA tenancy rules.

#### HACSA Policy

A separate pet waste removal charge of \$10.00 per occurrence will be assessed against pet owners who fail to remove pet waste in accordance with this policy.

Notices of pet waste removal charges will be in accordance with requirements regarding notices of adverse action. Charges are due and payable 14 calendar days after billing. If the family requests a grievance hearing within the required timeframe, HACSA may not take action for nonpayment of the charge until the conclusion of the grievance process.

Charges for pet waste removal are not part of rent payable by the resident.

## **PART IV: PET DEPOSITS AND FEES IN GENERAL OCCUPANCY DEVELOPMENTS**

### **10-IV.A. OVERVIEW**

This part describes the PHA's policies for pet deposits and fees for those who reside in general occupancy developments.

### **10-IV.B. PET DEPOSITS**

A PHA may require a refundable pet deposit to cover additional costs attributable to the pet and not otherwise covered [24 CFR 960.707(b)(1)].

A PHA that requires a resident to pay a pet deposit must place the deposit in an account of the type required under applicable State or local law for pet deposits, or if there are no such requirements, for rental security deposits, if applicable. The PHA must comply with such laws as to retention of the deposit, interest, and return of the deposit to the resident, and any other applicable requirements [24 CFR 960.707(d)].

#### **Payment of Deposit**

##### HACSA Policy

Pet owners are required to pay a pet deposit of \$150.00 in addition to any other required deposits. The deposit must be paid in full before the pet is brought on the premises.

The pet deposit is not part of rent payable by the resident.

#### **Refund of Deposit**

##### HACSA Policy

HACSA will refund the pet deposit to the resident, less the costs of any damages caused by the pet to the dwelling unit, within 30 days of move-out or removal of the pet from the unit.

The resident will be billed for any amount that exceeds the pet deposit.

HACSA will provide the resident with a written list of any charges against the pet deposit within 14 calendar days of the move-out inspection. If the resident disagrees with the amount charged to the pet deposit, the PHA will provide a meeting to discuss the charges.

#### **10-IV.C. NON-REFUNDABLE NOMINAL PET FEE**

PHAs may require payment of a non-refundable nominal pet fee to cover the reasonable operating costs to the development relating to the presence of pets [24 CFR 960.707(b)(1)].

##### HACSA Policy

HACSA does not require pet owners to pay a non-refundable nominal pet fee.

#### **10-IV.D. OTHER CHARGES**

##### **Pet-Related Damages During Occupancy**

##### HACSA Policy

All reasonable expenses incurred by HACSA as a result of damages directly attributable to the presence of the pet in the project will be the responsibility of the resident, including:

- The cost of repairs and replacements to the resident's dwelling unit
- Fumigation of the dwelling unit
- Repairs to common areas of the project

The expense of flea elimination shall also be the responsibility of the resident.

If the resident is in occupancy when such costs occur, the resident shall be billed for such costs in accordance with the policies in Section 8-I.G, Maintenance and Damage Charges. Pet deposits will not be applied to the costs of pet-related damages during occupancy.

Charges for pet-related damage are not part of rent payable by the resident.

##### **Pet Waste Removal Charge**

The regulations do not address the PHA's ability to impose charges for house pet rule violations. However, charges for violation of PHA pet rules may be treated like charges for other violations of the lease and PHA tenancy rules.

##### HACSA Policy

A separate pet waste removal charge of \$10.00 per occurrence will be assessed against pet owners who fail to remove pet waste in accordance with this policy.

Such charges will be due and payable 14 calendar days after billing.

Charges for pet waste removal are not part of rent payable by the resident.



## Chapter 11

### COMMUNITY SERVICE

#### INTRODUCTION

This chapter explains HUD regulations requiring PHAs to implement a community service program for all nonexempt adults living in public housing.

This chapter describes HUD regulations and PHA policies related to these topics in two parts:

Part I: Community Service Requirements. This part describes who is subject to the community service requirement, who is exempt, and HUD's definition of economic self-sufficiency.

Part II: PHA Implementation of Community Service. This part provides PHA policy regarding PHA implementation and program design.

#### PART I: COMMUNITY SERVICE REQUIREMENT

##### 11-I.A. OVERVIEW

HUD regulations pertaining to the community service requirement are contained in 24 CFR 960 Subpart F (960.600 through 960.609). PHAs and residents must comply with the community service requirement, effective with PHA fiscal years that commenced on or after October 1, 2000. Per 903.7(1)(1)(iii), the PHA Plan must contain a statement of how the PHA will comply with the community service requirement, including any cooperative agreement that the PHA has entered into or plans to enter into.

Community service is the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self-responsibility in the community. Community service is not employment and may not include political activities [24 CFR 960.601(b)].

In administering community service requirements, the PHA must comply with all nondiscrimination and equal opportunity requirements [24 CFR 960.605(c)(5)].

## 11-I.B. REQUIREMENTS

Each adult resident of the PHA, who is not exempt, must [24 CFR 960.603(a)]:

- Contribute 8 hours per month of community service; or
- Participate in an economic self-sufficiency program (as defined in the regulations) for 8 hours per month; or
- Perform 8 hours per month of combined activities (community service and economic self-sufficiency programs).

The required community service or self-sufficiency activity may be completed at 8 hours each month or may be aggregated across a year. Any blocking of hours is acceptable as long as 96 hours is completed by each annual certification of compliance [Notice PIH 2015-12].

### Definitions

#### *Exempt Individual [24 CFR 960.601(b), Notice PIH 2015-12]*

An *exempt individual* is an adult who:

- Is age 62 years or older
- Is blind or disabled (as defined under section 216[i][1] or 1614 of the Social Security Act), and who certifies that because of this disability s/he is unable to comply with the service provisions
- Is a primary caretaker of such an individual
- Is engaged in work activities

#### HACSA Policy

HACSA will consider 10 hours of work activities per week as the minimum number of hours needed to qualify for a work activity exemption.

- Is able to meet requirements of being exempted under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program
  - This exemption applies to anyone whose characteristics or family situation meet the welfare agency exemption criteria and can be verified.

- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program.

***Community Service [24 CFR 960.601(b), Notice PIH 2015-12]***

*Community service* is the performance of voluntary work or duties that are a public benefit, and that serve to improve the quality of life, enhance resident self-sufficiency, or increase resident self responsibility in the community. Community service is not employment and may not include political activities.

Eligible community service activities include, but are not limited to, work at:

- Local public or nonprofit institutions such as schools, head start programs, before or after school programs, child care centers, hospitals, clinics, hospices, nursing homes, recreation centers, senior centers, adult day care programs, homeless shelters, feeding programs, food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing)
- Nonprofit organizations serving PHA residents or their children such as: Boy or Girl Scouts, Boys or Girls Club, 4-H clubs, Police Assistance League (PAL), organized children's recreation, mentoring or education programs, Big Brothers or Big Sisters, garden centers, community clean-up programs, beautification programs
- Programs funded under the Older Americans Act, such as Green Thumb, Service Corps of Retired Executives, senior meals programs, senior centers, Meals on Wheels
- Public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods, or performing arts
- PHA housing to improve grounds or provide gardens (so long as such work does not alter the PHA's insurance coverage); or work through resident organizations to help other residents with problems, including serving on the Resident Advisory Board
- Care for the children of other residents so parent may volunteer

PHAs may form their own policy in regards to accepting community services at profit-motivated entities, acceptance of volunteer work performed at homes or offices of general private citizens, and court-ordered or probation-based work.

HACSA Policy

Community services at profit-motivated entities, volunteer work performed at homes or offices of general private citizens, and court-ordered or probation-based work will not be considered eligible community service activities.

***Economic Self-Sufficiency Program [24 CFR 5.603(b), Notice PIH 2015-12]***

For purposes of satisfying the community service requirement, an *economic self-sufficiency program* is defined by HUD as any program designed to encourage, assist, train, or facilitate economic independence of assisted families or to provide work for such families.

Eligible self-sufficiency activities include, but are not limited to:

- Job readiness or job training
- Training programs through local one-stop career centers, workforce investment boards (local entities administered through the U.S. Department of Labor), or other training providers
- Employment counseling, work placement, or basic skills training
- Education, including higher education (junior college or college), GED classes, or reading, financial, or computer literacy classes
- Apprenticeships (formal or informal)
- English proficiency or English as a second language classes
- Budgeting and credit counseling
- Any other program necessary to ready a participant to work (such as substance abuse or mental health counseling)

***Work Activities [42 U.S.C. 607(d)]***

As it relates to an exemption from the community service requirement, *work activities* means:

- Unsubsidized employment
- Subsidized private sector employment
- Subsidized public sector employment
- Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available
- On-the-job training
- Job search and job readiness assistance
- Community service programs
- Vocational educational training (not to exceed 12 months with respect to any individual)
- Job skills training directly related to employment
- Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate

## **Notification Requirements [24 CFR 960.605(c)(2), Notice PIH 2015-12]**

The PHA must give each family a written description of the community service requirement, the process for claiming status as an exempt person, and the process for PHA verification of exempt status. The PHA must also notify the family of its determination identifying the family members who are subject to the service requirement, and the family members who are exempt. In addition, the family must sign a certification, such as Attachment A of Notice PIH 2015-12, that they have received and read the policy and understand that if they are not exempt, failure to comply with the requirement will result in nonrenewal of their lease. The family must also sign a certification at annual reexamination, such as Attachment B of Notice PIH 2015-12, certifying that they understand the requirement.

### HACSA Policy

HACSA will provide the family with a copy of HACSA's Community Service Policy at intake and when a family member is determined to be subject to the community service requirement during the lease term, and at any time upon the family's request. The policy will notify the family that self-certification forms are subject to review by HACSA.

HACSA will notify the family in writing of the family members who are subject to the community service requirement and the family members who are exempt on an annual basis, at interim, and at the time of lease renewal. If the family includes nonexempt individuals, those individuals will be informed that HACSA maintains a list of agencies in the community that provide volunteer and/or training opportunities, available at the HACSA office and HACSA website at [www.hacsa.org](http://www.hacsa.org). Nonexempt individuals will be provided with a documentation form on which they may record the activities they perform and the number of hours contributed. The form will also have a place for a signature by an appropriate official, who will certify to the activities and hours completed. An appropriate official may include, but is not limited to; program leader, supervisor, Property Manager, Volunteer Coordinator, FSS Coordinator.

### **11-I.C. DETERMINATION OF EXEMPTION STATUS AND COMPLIANCE [24 CFR 960.605(c)(3)]**

The PHA must review and verify family compliance with service requirements annually at least thirty days before the end of the twelve month lease term. The policy for documentation and verification of compliance with service requirements may be found at Section 11-I.D., Documentation and Verification.

#### HACSA Policy

The effective date of the HACSA annual reexamination coincides with the lease term. HACSA will verify compliance with community service at the time of the annual reexamination. HACSA will ensure that the annual reexamination is conducted within 12 months of the last annual reexamination.

### **Annual Determination**

#### *Determination of Exemption Status*

An exempt individual is excused from the community service requirement [24 CFR 960.603(a)].

#### HACSA Policy

At least 60 days prior to lease renewal, HACSA will review and verify the exemption status of all adult family members. This verification will only be done on an annual basis unless the family reports a change or HACSA has reason to believe that an individual's exemption status has changed. For individuals who are exempt because they are 62 years of age and older, verification of exemption status will be done only at the initial examination.

HACSA will notify the family if their exemption status has changed in accordance with the policy in Section 11-I.B., Notification Requirements.

### ***Determination of Compliance***

The PHA must review resident family compliance with service requirements annually at least 30 days before the end of the twelve month lease term [24 CFR 960.605(c)(3)]. As part of this review, the PHA must verify that any family member that is not exempt from the community service requirement has met his or her service obligation.

#### **HACSA Policy**

Approximately 60 days prior to the end of the lease term, HACSA will provide written notice requiring the family to submit documentation that all subject family members have complied with the service requirement. The family will have 14 calendar days to submit HACSA required documentation form(s).

If the family fails to submit the required documentation within the required timeframe, or HACSA-approved extension, the subject family members will be considered noncompliant with community service requirements, and notices of noncompliance will be issued pursuant to the policies in Section 11-I.E., Noncompliance.

## Change in Status between Annual Determinations

### HACSA Policy

#### Exempt to Nonexempt Status

If an exempt individual becomes nonexempt during the twelve month lease term, it is the family's responsibility to report this change to HACSA within 14 calendar days.

Within 14 calendar days of a family reporting the change, or HACSA determining such a change is necessary, HACSA will provide written notice of the effective date of the requirement, as well as a documentation form on which the family member may record the activities performed and number of hours contributed.

The effective date of the community service requirement will be the first of the month following 30 day notice.

#### *Determination of Initial Compliance*

When an adult family member becomes subject to community service, he or she must perform 8 hours of community service for the months he or she is subject to the requirement before the end of the lease term (anniversary date).

Example 1: Resident turns 18 on 5/10/16 and is not exempt from the community service requirement. His community service requirement begins on 7/1/16 (after 30-day notice), and his initial compliance is reviewed before the end of the lease term (anniversary date), which is 11/30/16.

- This resident must perform 5 months (40 hours) of community service in his initial compliance period, before the end of the lease term (anniversary date).

Example 2: Resident leaves her job on 9/20/16 and is no longer exempt from the community service requirement. Her community service requirement begins on 11/1/16, and her initial compliance is reviewed before the end of the lease term (anniversary date), which is 6/30/17.

- She must perform 8 months (64 hours) of community service in her initial compliance period, before the end of the lease term (anniversary date).

### Nonexempt to Exempt Status

If a nonexempt person becomes exempt during the twelve month lease term, it is the family's responsibility to report this change to HACSA within 14 calendar days. Any claim of exemption will be verified by HACSA in accordance with the policy at 11-I.D., Documentation and Verification of Exemption Status.

Within 14 calendar days of a family reporting such a change, or HACSA determining such a change is necessary, HACSA will provide the family written notice that the family member is no longer subject to the community service requirement, if HACSA is able to verify the exemption.

The exemption will be effective immediately.

## **11-I.D. DOCUMENTATION AND VERIFICATION [24 CFR 960.605(c)(4), 960.607]**

The PHA must retain reasonable documentation of service requirement performance or exemption in participant files.

### **Documentation and Verification of Exemption Status**

#### HACSA Policy

All family members who claim they are exempt from the community service requirement will be required to sign the community service exemption certification form provided by HACSA. HACSA will provide a completed copy for their records.

HACSA will verify that an individual is exempt from the community service requirement by following the verification hierarchy and documentation requirements.

HACSA makes the final determination whether or not to grant an exemption from the community service requirement. If a resident does not agree with HACSA's determination, s/he can dispute the decision through HACSA's grievance procedures.

### **Documentation and Verification of Compliance**

At each regularly scheduled reexamination, each nonexempt family member presents a signed standardized certification form developed by the PHA of community service and self-sufficiency activities performed over the last 12 months [Notice PIH 2015-12].

If qualifying community service activities are administered by an organization other than the PHA, a family member who is required to fulfill a service requirement must provide documentation required by the PHA. The PHA may require a self-certification or certification from a third party [24 CFR 960.607].

If the PHA accepts self-certification of compliance with the community service requirement, it must provide a form which includes a statement that the client performed the required hours, contact information for the community service provider, a description of activities performed, and dates of service.

PIH 2016-06 stipulates the validation methodology for community service self-certification. PHAs must perform a third-party verification sample of self-certifications. PIH 2016-06 includes a chart stipulating the required sample size based on the "universe" of residents who self-certify. In HUD's example, a PHA with a universe of 27 self-certifications would have to validate at least 21 files.

#### HACSA Policy

If anyone in the family is subject to the community service requirement, HACSA will provide the family with community service documentation forms at admission, at lease renewal, when a family member becomes subject to the community service requirement during the lease term, or upon request by the family.

Each individual who is subject to the requirement will be required to record their community service or self-sufficiency activities and the number of hours contributed on the required form. The certification form will also include places for signatures and phone

numbers of supervisors, instructors, and counselors certifying to the number of hours contributed. HACSA will not accept the individual's self-certification alone.

If HACSA has reasonable cause to believe that the certification provided by the family is false or fraudulent, HACSA has the right to require third-party verification.

## **11-I.E. NONCOMPLIANCE**

### **Noncompliant Residents**

The lease specifies that it is renewed automatically for all purposes, unless the family fails to comply with the community service requirement. Violation of the service requirement is grounds for nonrenewal of the lease at the end of the twelve month lease term, but not for termination of tenancy during the course of the twelve month lease term [24 CFR 960.603(b)].

PHAs may not evict a family due to CSSR noncompliance. However, if PHA finds a tenant is noncompliant with CSSR, then the PHA must provide written notification to the tenant of the noncompliance which must include:

- A. A brief description of the finding of non-compliance with CSSR.
- B. A statement that the PHA will not renew the lease at the end of the current 12-month lease term unless the tenant enters into a written compliance agreement with the PHA or the family provides written assurance that is satisfactory to the PHA explaining that the tenant or other noncompliant resident no longer resides in the unit. Such written compliance agreement must include the means through which a noncompliant family member will comply with the CSSR requirement [24 CFR 960.607(c), Notice PIH 2015-12].

The notice must also state that the tenant may request a grievance hearing on the PHA's determination, in accordance with the PHA's grievance procedures, and that the tenant may exercise any available judicial remedy to seek timely redress for the PHA's nonrenewal of the lease because of the PHA's determination.

### HACSA Policy

The notice of noncompliance will be sent at least 45 days prior to the end of the lease term.

The family will have 14 calendar days from the date of the notice of noncompliance to enter into a written compliance agreement to cure the noncompliance over the 12 month term of the new lease, provide documentation that the noncompliant resident no longer resides in the unit, or to request a grievance hearing.

If the family reports that a noncompliant family member is no longer residing in the unit, the family must provide documentation that the family member has actually vacated the unit before HACSA will agree to continued occupancy of the family. Documentation must consist of a certification signed by the head of household as well as evidence of the current address of the family member that previously resided with them.

If the family does not request a grievance hearing, or does not take either corrective action required by the notice of noncompliance within the required 14 calendar day timeframe, HACSA will terminate tenancy in accordance with the policies in Section 13-IV.D.

### **Continued Noncompliance and Enforcement Documentation [24 CFR 960.607(b)]**

Should a family member refuse to sign a written work-out agreement, or fail to comply with the terms of the work-out agreement, PHAs are required to initiate termination of tenancy proceedings at the end of the current 12-month lease (see 24 CFR 966.53(c)) due to the fact that the family is failing to comply with lease requirements. When initiating termination of tenancy proceedings, the PHA will provide the following procedural safeguards:

- A. Adequate notice to the tenant of the grounds for terminating the tenancy and for non-renewal of the lease;
- B. Right of the tenant to be represented by counsel;
- C. Opportunity for the tenant to refute the evidence presented by the PHA, including the right to confront and cross-examine witnesses and present any affirmative legal or equitable defense which the tenant may have; and,
- D. A decision on the merits.

### HACSA Policy

Notices of continued noncompliance will be sent at least 30 days prior to the end of the lease term and will also serve as the family's termination notice. The notice will meet the requirements for termination notices described in Section 13-IV.D, Form, Delivery, and Content of the Notice.

The family will have 14 calendar days from the date of the notice of non-compliance to provide documentation that the noncompliant resident no longer resides in the unit, or to request a grievance hearing.

If the family reports that a noncompliant family member is no longer residing in the unit, the family must provide documentation that the family member has actually vacated the unit before HACSA will agree to continued occupancy of the family. Documentation

must consist of a certification signed by the head of household as well as evidence of the current address of the noncompliant family member that previously resided with them.

If the family does not request a grievance hearing, or provide such documentation within the required 14 calendar day timeframe, the family's lease and tenancy must be terminated by HACSA at the end of the current lease term without further notice.

## **PART II: IMPLEMENTATION OF COMMUNITY SERVICE**

### **11-II.A. OVERVIEW**

Each PHA must develop a policy for administration of the community service and economic self-sufficiency requirements for public housing. It is in the PHA's best interests to develop a viable, effective community service program, to provide residents the opportunity to engage in the community and to develop competencies.

#### **PHA Implementation of Community Service**

The PHA may not substitute any community service or self-sufficiency activities performed by residents for work ordinarily performed by PHA employees, or replace a job at any location where residents perform activities to satisfy the service requirement [24 CFR 960.609].

##### HACSA Policy

HACSA will notify its insurance company if residents will be performing community service at HACSA. In addition, HACSA will ensure that the conditions under which the work is to be performed are not hazardous.

If a disabled resident certifies that s/he is able to perform community service, HACSA will ensure that requests for reasonable accommodation are handled in accordance with the policies in Chapter 2.

## **PHA Program Design**

The PHA may administer qualifying community service or economic self-sufficiency activities directly, or may make community service activities available through a contractor, or through partnerships with qualified organizations, including resident organizations, and community agencies or institutions [24 CFR 960.605(b)].

### HACSA Policy

HACSA will attempt to provide the broadest choice possible to residents as they choose community service activities.

HACSA's goal is to design a service program that gives residents viable opportunities to become involved in the community and to gain competencies and skills. HACSA will work with resident organizations and community organizations to design, implement, assess and recalibrate its community service program.

HACSA will make every effort to identify volunteer opportunities throughout the community, especially those in proximity to public housing developments. To the greatest extent possible, HACSA will provide names and contacts at agencies that can provide opportunities for residents, including persons with disabilities, to fulfill their community service obligations.

Any written agreements or partnerships with contractors and/or qualified organizations, including resident organizations, are described in the PHA Plan.

HACSA may provide in-house opportunities for volunteer work or self-sufficiency programs.

When HACSA has a ROSS program, a ROSS Service Coordinator, or an FSS program, HACSA will coordinate individual training and service plans (ITSPs) with the community service requirement. Regular meetings with HACSA coordinators will satisfy community service activities and HACSA coordinators will verify community service hours within individual monthly logs.

## EXHIBIT 11-1: COMMUNITY SERVICE AND SELF-SUFFICIENCY POLICY

### A. Background

The Quality Housing and Work Responsibility Act of 1998 requires that all nonexempt (see definitions) public housing adult residents (18 or older) contribute eight (8) hours per month of community service (volunteer work) or participate in eight (8) hours of training, counseling, classes or other activities that help an individual toward self-sufficiency and economic independence. This is a requirement of the public housing lease.

### B. Definitions

**Community Service** – community service activities include, but are not limited to, work at:

- Local public or nonprofit institutions such as schools, head start programs, before or after school programs, child care centers, hospitals, clinics, hospices, nursing homes, recreation centers, senior centers, adult day care programs, homeless shelters, feeding programs, food banks (distributing either donated or commodity foods), or clothes closets (distributing donated clothing)
- Nonprofit organizations serving PHA residents or their children such as: Boy or Girl Scouts, Boys or Girls Club, 4-H clubs, Police Assistance League (PAL), organized children’s recreation, mentoring or education programs, Big Brothers or Big Sisters, garden centers, community clean-up programs, beautification programs
- Programs funded under the Older Americans Act, such as Green Thumb, Service Corps of Retired Executives, senior meals programs, senior centers, Meals on Wheels
- Public or nonprofit organizations dedicated to seniors, youth, children, residents, citizens, special-needs populations or with missions to enhance the environment, historic resources, cultural identities, neighborhoods, or performing arts
- PHA housing to improve grounds or provide gardens (so long as such work does not alter the PHA’s insurance coverage); or work through resident organizations to help other residents with problems, including serving on the Resident Advisory Board
- Care for the children of other residents so parent may volunteer

**Note:** Political activity is excluded.

**Self-Sufficiency Activities** – self-sufficiency activities include, but are not limited to:

- Job readiness or job training
- Training programs through local one-stop career centers, workforce investment boards (local entities administered through the U.S. Department of Labor), or other training providers
- Employment counseling, work placement, or basic skills training
- Education, including higher education (junior college or college), or reading, financial, or computer literacy classes
- Apprenticeships (formal or informal)
- English proficiency or English as a second language classes
- Budgeting and credit counseling
- Any other program necessary to ready a participant to work or increases the self-sufficiency of family member(such as substance abuse or mental health counseling, parenting, etc.)

**Exempt Adult** – an adult member of the family who meets any of the following criteria:

- Is 62 years of age or older
- Is blind or a person with disabilities (as defined under section 216[i][1] or 1614 of the Social Security Act), and who certifies that because of this disability he or she is unable to comply with the service provisions, or is the primary caretaker of such an individual
- Is engaged in *work activities*
- Is able to meet requirements under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program; or
- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program

PHAs can use reasonable guidelines in clarifying the work activities in coordination with TANF, as appropriate.

**Work Activities** – as it relates to an exemption from the community service requirement, *work activities* means:

- Unsubsidized employment
- Subsidized private sector employment
- Subsidized public sector employment
- Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available
- On-the-job training
- Job search and job readiness assistance
- Community service programs
- Vocational educational training (not to exceed 12 months with respect to any individual)
- Job skills training directly related to employment
- Education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency
- Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate

### **C. Requirements of the Program**

1. The eight (8) hours per month may be either volunteer work or self-sufficiency program activity, or a combination of the two.
2. At least eight (8) hours of activity must be performed each month, or may be aggregated across a year. Any blocking of hours is acceptable as long as long as 96 hours is completed by each annual certification of compliance.
3. Family obligation:
  - At lease execution, all adult members (18 or older) of a public housing resident family must:
    - Sign a certification (Attachment A) that they have received and read this policy and understand that if they are not exempt, failure to comply with the community service requirement will result in a nonrenewal of their lease; and
    - Declare if they are exempt. If exempt, they must complete the Exemption Form (Exhibit 11-3) and provide documentation of the exemption.
  - Upon written notice from the PHA, nonexempt family members must present a self-certification of activities performed during the applicable lease term. This certification is subject to validation by the PHA.
  - If a family member is found to be noncompliant at the end of the 12-month lease term, he or she, and the head of household, will be required to sign an agreement with the housing authority to make up the deficient hours over the next twelve (12) month period, or the lease will be terminated.
  - At annual reexamination, the family must also sign a certification certifying that they understand the community service requirement.
4. Change in exempt status:
  - If, during the twelve (12) month lease period, a nonexempt person becomes exempt, it is his or her responsibility to report this to the PHA and provide documentation of exempt status.
  - If, during the twelve (12) month lease period, an exempt person becomes nonexempt, it is his or her responsibility to report this to the PHA. Upon receipt of this information the PHA will provide the person with the appropriate documentation form(s) and a list of agencies in the community that provide volunteer and/or training opportunities.

## **D. Authority Obligation**

1. To the greatest extent possible and practicable, the PHA will:
  - Provide names and contacts at agencies that can provide opportunities for residents, including residents with disabilities, to fulfill their community service obligations.
  - Provide in-house opportunities for volunteer work or self-sufficiency activities.
2. The PHA will provide the family with a copy of this policy, and all applicable exemption verification forms and community service documentation forms, at lease-up, lease renewal, when a family member becomes subject to the community service requirement during the lease term, and at any time upon the family's request.
3. Although exempt family members will be required to submit documentation to support their exemption, the PHA will verify the exemption status in accordance with its verification policies. The PHA will make the final determination as to whether or not a family member is exempt from the community service requirement. Residents may use the PHA's grievance procedure if they disagree with the PHA's determination.
4. Noncompliance of family member:
  - At least thirty (30) days prior to the end of the 12-month lease term, the PHA will begin reviewing the exempt or nonexempt status and compliance of family members;
  - If, at the end of the initial 12-month lease term under which a family member is subject to the community service requirement, the PHA finds the family member to be noncompliant, the PHA will not renew the lease unless:
    - The head of household and any other noncompliant resident enter into a written agreement with the PHA, to make up the deficient hours over the next twelve (12) month period; or
    - The family provides written documentation satisfactory to the PHA that the noncompliant family member no longer resides in the unit.
  - If, at the end of the next 12-month lease term, the family member is still not compliant, a 30-day notice to terminate the lease will be issued and the entire family will have to vacate, unless the family provides written documentation satisfactory to the PHA that the noncompliant family member no longer resides in the unit;
  - The family may use the PHA's grievance procedure to dispute the lease termination.

All adult family members must sign and date below, certifying that they have read and received a copy of this Community Service and Self-Sufficiency Policy.

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Resident

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Date

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Resident

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Date

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Resident

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Date

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Resident

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Date

**EXHIBIT 11-2: DEFINITION OF A PERSON WITH A DISABILITY UNDER SOCIAL SECURITY ACTS 216(i)(1) and Section 1416(excerpt) FOR PURPOSES OF EXEMPTION FROM COMMUNITY SERVICE**

**Social Security Act:**

**216(i)(1):** Except for purposes of sections 202(d), 202(e), 202(f), 223, and 225, the term “disability” means (A) inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months, or (B) blindness; and the term “blindness” means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of this paragraph as having a central visual acuity of 20/200 or less.

**Section 1416 (excerpt):**

SEC. 1614. [42 U.S.C. 1382c] (a)(1) For purposes of this title, the term “aged, blind, or disabled individual” means an individual who—

(A) is 65 years of age or older, is blind (as determined under paragraph (2)), or is disabled (as determined under paragraph (3)), and

(B)(i) is a resident of the United States, and is either (I) a citizen or (II) an alien lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law (including any alien who is lawfully present in the United States as a result of the application of the provisions of section 212(d)(5) of the Immigration and Nationality Act), or

(ii) is a child who is a citizen of the United States and, who is living with a parent of the child who is a member of the Armed Forces of the United States assigned to permanent duty ashore outside the United States.

(2) An individual shall be considered to be blind for purposes of this title if he has central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of the first sentence of this subsection as having a central visual acuity of 20/200 or less. An individual shall also be considered to be blind for purposes of this title if he is blind as defined under a State plan approved under title X or XVI as in effect for October 1972 and received aid under such plan (on the basis of blindness) for December 1973, so long as he is continuously blind as so defined.

(3)(A) Except as provided in subparagraph (C), an individual shall be considered to be disabled for purposes of this title if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months.



**EXHIBIT 11-3: PHA DETERMINATION OF EXEMPTION FOR COMMUNITY SERVICE**

Family: \_\_\_\_\_

Adult family member: \_\_\_\_\_

This adult family member meets the requirements for being exempted from the PHA's community service requirement for the following reason:

- 62 years of age or older (*Documentation of age in file*)
- Is a person with disabilities and self-certifies below that he or she is unable to comply with the community service requirement (*Documentation of HUD definition of disability in file*)

**Tenant certification:** I am a person with disabilities and am unable to comply with the community service requirement.

\_\_\_\_\_  
Signature of Family Member

\_\_\_\_\_  
Date

- Is the primary caretaker of such an individual in the above category (*Documentation in file*)
- Is engaged in work activities (*Verification in file*)
- Is able to meet requirements under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program (*Documentation in file*)
- Is a member of a family receiving assistance, benefits, or services under a state program funded under part A of title IV of the Social Security Act, or under any other welfare program of the state in which the PHA is located, including a state-administered welfare-to-work program and the supplemental nutrition assistance program (SNAP), and has not been found by the state or other administering entity to be in noncompliance with such program (*Documentation in file*)

\_\_\_\_\_  
Signature of Family Member

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of PHA Official

\_\_\_\_\_  
Date

**EXHIBIT 11-4: CSSR WORK-OUT AGREEMENT**

Date: \_\_\_\_\_

Noncompliant Adult: \_\_\_\_\_

Adult family member: \_\_\_\_\_

**Community Service & Self-Sufficiency Requirement (CSSR):**

Under Section 12 of the U.S. Housing Act, the \_\_\_\_\_ (insert name of PHA) is required to enforce the community service and self-sufficiency requirement (CSSR). Under the CSSR, each nonexempt adult family member residing in public housing must perform 8 hours per month of community service or self sufficiency activities.

**Noncompliance:** \_\_\_\_\_ (insert name of PHA) has found that the nonexempt individual named above is in noncompliance with the CSSR. This work-out agreement is the PHA's written notification to you of this noncompliance.

Our records show that for the most recent lease term you were required to perform \_\_\_\_\_ hours of CSSR activities. However, there were \_\_\_\_\_ hours of verified CSSR activities. Therefore, you are in noncompliance for \_\_\_\_\_ hours.

\_\_\_\_\_ (insert name of PHA) will not renew the lease at the end of the current 12-month lease term unless the head of household and noncompliant adult sign a written work-out agreement with \_\_\_\_\_ (insert name of PHA) or the family provides written assurance that is satisfactory to \_\_\_\_\_ (insert name of PHA) explaining that the noncompliant adult no longer resides in the unit. The regulations require that the work-out agreement include the means through which a noncompliant family member will comply with the CSSR requirement. [24 CFR 960.607(c), Notice PIH 2015-12]. The terms of the CSSR work-out agreement are on the reverse side of this page.

**Enforcement:** Should a family member refuse to sign this CSSR work-out agreement, or fail to comply with the terms of this CSSR work-out agreement, or fail to provide satisfactory written assurance that the noncompliant adult no longer resides in the unit, \_\_\_\_\_ (insert name of PHA) is required to initiate termination of tenancy proceedings at the end of the current 12-month lease [24 CFR 966.53(c)].





## Chapter 12

### TRANSFER POLICY

#### INTRODUCTION

This chapter explains the PHA's transfer policy, based on HUD regulations, HUD guidance, and PHA policy decisions.

This chapter describes HUD regulations and PHA policies related to transfers in four parts:

Part I: Emergency Transfers. This part describes emergency transfers, emergency transfer procedures, and payment of transfer costs.

Part II: PHA Required Transfers. This part describes types of transfers that may be required by the PHA, notice requirements, and payment of transfer costs.

Part III: Transfers Requested by Residents. This part describes types of transfers that may be requested by residents, eligibility requirements, security deposits, payment of transfer costs, and handling of transfer requests.

Part IV: Transfer Processing. This part describes creating a waiting list, prioritizing transfer requests, the unit offer policy, examples of good cause, deconcentration, transferring to another development and reexamination.

The PHA may require the tenant to move from the unit under some circumstances. There are also emergency circumstances under which alternate accommodations for the tenant must be provided, that may or may not require a transfer.

The tenant may also request a transfer, such as a request for a new unit as a reasonable accommodation.

The PHA must have specific policies in place to deal with acceptable transfer requests.

#### PART I: EMERGENCY TRANSFERS

##### 12-I.A. OVERVIEW

HUD categorizes certain situations that require emergency transfers [PH Occ GB, p. 147]. The emergency transfer differs from a typical transfer in that it requires immediate action by the PHA.

In the case of a genuine emergency, it may be unlikely that the PHA will have the time or resources to immediately transfer a tenant. Due to the immediate need to vacate the unit, placing the tenant on a transfer waiting list would not be appropriate. Under such circumstances, if an appropriate unit is not immediately available, the PHA should find alternate accommodations for the tenant until the emergency passes, or a permanent solution, i.e., return to the unit or transfer to another unit, is possible.

### **12-I.B. EMERGENCY TRANSFERS**

If the dwelling unit is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants, the PHA must offer standard alternative accommodations, if available, where necessary repairs cannot be made within a reasonable time [24 CFR 966.4(h)].

#### HACSA Policy

The following is considered an emergency circumstance warranting an immediate transfer of the tenant or family:

Maintenance conditions in the resident's unit, building or at the site that pose an immediate, verifiable threat to the life, health or safety of the resident or family members that cannot be immediately repaired or abated. Examples of such unit or building conditions would include: a gas leak; no heat in the unit during the winter; no water; toxic contamination; and serious water leaks.

### **12-I.C. EMERGENCY TRANSFER PROCEDURES**

#### HACSA Policy

If the transfer is necessary because of maintenance conditions, and an appropriate unit is not immediately available, HACSA will provide temporary accommodations to the tenant by arranging for temporary lodging. If the conditions that required the transfer cannot be repaired, or the condition cannot be repaired in a reasonable amount of time, HACSA will transfer the resident to the first available and appropriate unit after the temporary relocation.

The tenant will be required to move if the emergency transfer arises due to maintenance conditions.

### **12-I.D. COSTS OF TRANSFER**

#### HACSA Policy

HACSA will bear the reasonable costs of temporarily accommodating the tenant and of long term transfers, if any, due to emergency conditions.

The reasonable cost of transfers includes the cost of packing, moving, and unloading belongings, as well as reimbursing the family for eligible out of pocket expenses in accordance with HACSA's Relocation Procedures.

## **PART II: PHA REQUIRED TRANSFERS**

### **12-II.A. OVERVIEW**

HUD regulations regarding transfers are minimal, leaving it up to the PHA to develop reasonable transfer policies.

The PHA may require that a resident transfer to another unit under some circumstances. For example, the PHA may require a resident to transfer to make an accessible unit available to a disabled family. The PHA may also transfer a resident in order to maintain occupancy standards based on family composition. Finally, a PHA may transfer residents in order to demolish or renovate the unit.

A transfer that is required by the PHA is an adverse action, and is subject to the notice requirements for adverse actions [24 CFR 966.4(e)(8)(i)].

### **12-II.B. TYPES OF PHA REQUIRED TRANSFERS**

#### HACSA Policy

The types of transfers that may be required by HACSA, include, but are not limited to, transfers to make an accessible unit available for a disabled family, transfers to comply with HACSA occupancy standards, transfers for demolition, disposition, modernization, or rehabilitation, and emergency transfers as discussed in Part I of this chapter.

Transfers required by HACSA are mandatory for the tenant.

#### **Transfers to Make an Accessible Unit Available**

When a family is initially given an accessible unit, but does not require the accessible features, the PHA may require the family to agree to move to a non-accessible unit when it becomes available [24 CFR 8.27(b)].

#### HACSA Policy

When a non-accessible unit becomes available, HACSA will transfer a family living in an accessible unit that does not require the accessible features, to an available unit that is not accessible. HACSA may wait until a disabled resident requires the accessible unit before transferring the family that does not require the accessible features out of the accessible unit.

## Occupancy Standards Transfers

The PHA may require a resident to move when a reexamination indicates that there has been a change in family composition, and the family is either overcrowded or over-housed according to HACSA Policy [24 CFR 960.257(a)(4)]. On some occasions, the PHA may initially place a resident in an inappropriately sized unit at lease-up, where the family is over-housed, to prevent vacancies. The public housing lease must include the tenant's agreement to transfer to an appropriately sized unit based on family composition [24 CFR 966.4(c)(3)].

### HACSA Policy

HACSA may require a family to transfer when the family size has changed and the family is now too large (overcrowded) or too small (over-housed) for the unit occupied.

For purposes of the transfer policy, overcrowded and over-housed are defined as follows:

*Overcrowded:* the number of household members exceeds the maximum number of persons allowed for the unit size in which the family resides, according to the chart in Section 5-I.B, plus two persons using the living room as a sleeping room.

*Over-housed:* the family no longer qualifies for the bedroom size in which they are living based on HACSA's occupancy standards as described in Section 5-I.B.

HACSA may also transfer a family who was initially placed in a unit in which the family was over-housed to a unit of an appropriate size based on HACSA's occupancy standards, when HACSA determines there is a need for the transfer.

HACSA may elect not to transfer an over-housed family in order to prevent vacancies.

A family that is required to move because of family size will be advised by HACSA that a transfer is necessary and that the family has been placed on the transfer list.

Families that request and are granted an exception to the occupancy standards (for either a larger or smaller size unit) in accordance with the policies in Section 5-I.C. will only be required to transfer if it is necessary to comply with the approved exception.

## **Demolition, Disposition, Modernization, or Rehabilitation Transfers**

These transfers permit the PHA to demolish, sell or do major capital or rehabilitation work at a building site [PH Occ GB, page 148].

### HACSA Policy

HACSA will relocate a family when the unit or site in which the family lives is undergoing major rehabilitation that requires the unit to be vacant, or the unit is being disposed of or demolished. HACSA's relocation plan may or may not require transferring affected families to other available public housing units.

If the relocation plan calls for transferring public housing families to other public housing units, affected families will be placed on the transfer list.

In cases of modernization or rehabilitation, the family may be offered a temporary relocation if allowed under Relocation Act provisions, and may be allowed to return to their unit, depending on contractual and legal obligations, once revitalization or rehabilitation is complete.

### **12-II.C. ADVERSE ACTION [24 CFR 966.4(e)(8)(i)]**

A PHA required transfer is an adverse action. As an adverse action, the transfer is subject to the requirements regarding notices of adverse actions. If the family requests a grievance hearing within the required timeframe, the PHA may not take action on the transfer until the conclusion of the grievance process.

### **12-II.D. COST OF TRANSFER**

#### HACSA Policy

HACSA will bear the reasonable costs of transfers that HACSA requires, except that residents will be required to bear the cost of occupancy standards transfers (under or over housed transfers).

The reasonable cost of transfers includes the cost of packing, moving, and unloading belongings, as well as reimbursing the family for eligible out of pocket expenses in accordance with HACSA's Relocation Procedures.

## **PART III: TRANSFERS REQUESTED BY TENANTS**

### **12-III.A. OVERVIEW**

HUD provides the PHA with discretion to consider transfer requests from tenants. The only requests that the PHA is required to consider are requests for reasonable accommodation. All other transfer requests are at the discretion of the PHA. To avoid administrative costs and burdens, this policy limits the types of requests that will be considered by the PHA.

Some transfers that are requested by tenants should be treated as higher priorities than others due to the more urgent need for the transfer.

### **12-III.B. TYPES OF RESIDENT REQUESTED TRANSFERS**

#### HACSA Policy

Requests for transfers that HACSA will consider are limited to requests for transfers to alleviate a serious or life threatening medical condition, transfers due to a threat of physical harm or criminal activity, reasonable accommodation, transfers to a different unit size as long as the family qualifies for the unit according to HACSA's occupancy standards, and transfers to a location closer to employment. No other transfer requests will be considered by HACSA.

HACSA will consider the following as high priority transfer requests:

When a transfer is needed to alleviate verified medical problems of a serious or life-threatening nature

When there has been a verified threat of physical harm or criminal activity. Such circumstances may, at HACSA's discretion, include an assessment by law enforcement indicating that a family member is the actual or potential victim of a criminal attack, retaliation for testimony, a hate crime, or domestic violence, dating violence, sexual assault, or stalking. For instances of domestic violence, dating violence, sexual assault, or stalking, the threat may also be established through documentation outlined in section 16-VII.D, or by any proof accepted by the PHA.

When a family requests a transfer as a reasonable accommodation. Examples of a reasonable accommodation transfer include, but are not limited to, a transfer to a first floor unit for a person with mobility impairment, or a transfer to a unit with accessible features.

HACSA will consider the following as regular priority transfer requests:

When a family requests a larger bedroom size unit even though the family does not meet HACSA's definition of overcrowded, as long as the family meets HACSA's occupancy standards for the requested size unit

When the head of household or spouse is employed 25 miles or more from the public housing unit, has no reliable transportation and public transportation is not available

Transfers requested by the tenant are considered optional for the tenant.

### **12-III.C. ELIGIBILITY FOR TRANSFER**

Transferring residents do not have to meet the admission eligibility requirements pertaining to income or preference. However, the PHA may establish other standards for considering a transfer request [PH Occ GB, p. 150].

#### HACSA Policy

Except where transfers for serious medical reasons or reasonable accommodation are being requested, HACSA will only consider transfer requests from residents that meet the following requirements:

- Have not engaged in criminal activity that threatens the health and safety of residents and staff

- Owe no back rent or other charges, or have a pattern of late payment

- Have no housekeeping lease violations or history of damaging property

- Are able to turn on utilities in the name of the head of household (applicable only to properties with tenant-paid utilities)

A resident with housekeeping standards violations will not be transferred until the resident passes a follow-up housekeeping inspection.

Exceptions to the good record requirement may be made when it is to HACSA's advantage to make the transfer. Exceptions may also be made when HACSA determines that a transfer is necessary to protect the health or safety of a resident who is a victim of domestic violence, dating violence, sexual assault, or stalking and who provides documentation of abuse in accordance with section 16-VII.D of this ACOP.

If a family requested to be placed on the waiting list for a unit size smaller than designated by the occupancy guidelines, the family will not be eligible to transfer to a larger size unit for a period of two years from the date of admission, unless they have a change in family size or composition, or it is needed as a reasonable accommodation.

### **12-III.D. SECURITY DEPOSITS**

#### HACSA Policy

When a family transfers from one unit to another, HACSA will transfer their security deposit to the new unit. If the security deposit at the new unit is higher, the family will pay the difference between the security deposits at the new and the old unit. If the security deposit at the new unit is lower, HACSA will reimburse the tenant the difference between the security deposits at the new and the old unit, after any vacate charges have been applied. The tenant will be billed for any remaining maintenance or others charges due for the “old” unit.

### **12-III.E. COST OF TRANSFER**

The PHA must pay moving expenses to transfer a resident with a disability to an accessible unit as an accommodation for the resident’s disability [Notice PIH 2010-26].

#### HACSA Policy

The resident will bear all of the costs of transfer s/he requests. However, HACSA will bear the transfer costs as stated in 12-II.D when the transfer is done as a reasonable accommodation.

## **12-III.F. HANDLING OF REQUESTS**

### HACSA Policy

Residents requesting a transfer to another unit or development will be required to submit a written request for transfer.

In case of a reasonable accommodation transfer, HACSA will encourage the resident to make the request in writing using a reasonable accommodation request form. However, HACSA will consider the transfer request any time the resident indicates that an accommodation is needed whether or not a formal written request is submitted. HACSA employees may also assist the resident to complete the forms.

HACSA will respond by approving the transfer and putting the family on the transfer list, by denying the transfer, or by requiring more information or documentation from the family, such as documentation of domestic violence, dating violence, sexual assault, or stalking in accordance with section 16-VII.D of this ACOP.

If the family does not meet the “good record” requirements under Section 12-III.C., the manager will address the problem and, until resolved, the request for transfer will be denied.

HACSA will respond within 14 calendar days of the submission of the family’s request. If HACSA denies the request for transfer, the family will be informed of its grievance rights.

## **PART IV: TRANSFER PROCESSING**

### **12-IV.A. OVERVIEW**

Generally, families who request a transfer should be placed on a transfer list and processed in a consistent and appropriate order. The transfer process must be clearly auditable to ensure that residents do not experience inequitable treatment.

### **12-IV.B. TRANSFER LIST**

#### HACSA Policy

HACSA will maintain a centralized transfer list to ensure that transfers are processed in the correct order and that procedures are uniform across all properties.

Emergency transfers will not automatically go on the transfer list. Instead emergency transfers will be handled immediately, on a case by case basis. If the emergency cannot be resolved by a temporary accommodation, and the resident requires a permanent transfer, the family will be placed at the top of the transfer list.

Transfers will be processed in the following order:

1. Emergency transfers (hazardous maintenance conditions)
2. High-priority transfers (verified medical condition, threat of harm or criminal activity, and reasonable accommodation)
3. Transfers to make accessible units available
4. Demolition, renovation, etc.
5. Occupancy standards
6. Other HACSA -required transfers
7. Other tenant-requested transfers

Within each category, transfers will be processed in order of the date a family was placed on the transfer list, starting with the earliest date.

HACSA may, on a case-by-case basis, transfer a family without regard to its placement on the transfer list in order to address the immediate need of a family in crisis.

Demolition and renovation transfers will gain the highest priority as necessary to allow HACSA to meet the demolition or renovation schedule.

Transfers will take precedence over waiting list admissions.

## **12-IV.C. TRANSFER OFFER POLICY**

### HACSA Policy

When the transfer is required by HACSA, residents will receive one offer of a transfer. Refusal of that offer without good cause will result in lease termination.

When the transfer has been requested by the resident, residents will receive one offer of a transfer. The refusal of that offer without good cause will result in the removal of the family from the transfer list. In such cases, the family must wait six months to reapply for another transfer.

## **12-IV.D. GOOD CAUSE FOR UNIT REFUSAL**

### HACSA Policy

Examples of good cause for refusal of a unit offer include, but are not limited to, the following:

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

The family demonstrates to HACSA's satisfaction that accepting the offer will place a family member's life, health, or safety in jeopardy. The family should offer specific and compelling documentation such as restraining orders, other court orders, risk assessments related to witness protection from a law enforcement agency, or documentation of domestic violence, dating violence, or stalking in accordance with section 16-VII.D of this ACOP. Reasons offered must be specific to the family. Refusals due to location alone do not qualify for this good cause exemption.

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

The unit is inappropriate for the applicant's disabilities, or the family does not need the accessible features in the unit offered and does not want to be subject to a 30-day notice to move.

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

HACSA will require documentation of good cause for unit refusals.

#### **12-IV.E. DECONCENTRATION**

##### HACSA Policy

If subject to deconcentration requirements, HACSA will consider its deconcentration goals when transfer units are offered. When feasible, families above the Established Income Range will be offered a unit in a development that is below the Established Income Range, and vice versa, to achieve HACSA's deconcentration goals. A deconcentration offer will be considered a "bonus" offer; that is, if a resident refuses a deconcentration offer, the resident will receive one additional transfer offer.

#### **12-IV.F. REEXAMINATION POLICIES FOR TRANSFERS**

##### HACSA Policy

The reexamination date will be not changed when a transfer takes place.



## Chapter 13

### LEASE TERMINATIONS

#### INTRODUCTION

Either party to the dwelling lease agreement may terminate the lease in accordance with the terms of the lease. A public housing lease is different from a private dwelling lease in that the family's rental assistance is tied to their tenancy. When the family moves from their public housing unit, they lose their rental assistance. Therefore, there are additional safeguards to protect the family's tenancy in public housing.

Likewise, there are safeguards to protect HUD's interest in the public housing program. The PHA has the authority to terminate the lease because of the family's failure to comply with HUD regulations, for serious or repeated violations of the terms of the lease, and for other good cause. HUD regulations also specify when termination of the lease is mandatory by the PHA.

When determining PHA policy on terminations of the lease, the PHA must consider state and local landlord-tenant laws in the area where the PHA is located. Such laws vary from one location to another, and these variances may be either more or less restrictive than federal law or HUD regulation.

This chapter presents the policies that govern voluntary termination of the lease by the family and the mandatory and voluntary termination of the lease by the PHA. It is presented in four parts:

Part I: Termination by Tenant. This part discusses the PHA requirements for voluntary termination of the lease by the family.

Part II: Termination by PHA - Mandatory. This part describes circumstances when termination of the lease by the PHA is mandatory. This part also explains nonrenewal of the lease for noncompliance with community service requirements.

Part III: Termination by PHA – Other Authorized Reasons. This part describes the PHA's options for lease termination that are not mandated by HUD regulation but for which HUD authorizes PHAs to terminate. For some of these options HUD requires the PHA to establish policies and lease provisions for termination, but termination is not mandatory. For other options the PHA has full discretion whether to consider the options as just cause to terminate as long as the PHA policies are reasonable, nondiscriminatory, and do not violate state or local landlord-tenant law. This part also discusses the alternatives that the PHA may consider in lieu of termination, and the criteria the PHA will use when deciding what actions to take.

Part IV: Notification Requirements. This part presents the federal requirements for disclosure of criminal records to the family prior to termination, the HUD requirements and PHA policies regarding the timing and content of written notices for lease termination and eviction, and notification of the post office when eviction is due to criminal activity. This part also discusses record keeping related to lease termination.



## **PART I: TERMINATION BY TENANT**

### **13-I.A. TENANT CHOOSES TO TERMINATE THE LEASE [24 CFR 966.4(k)(1)(ii) and 24 CFR 966.4(l)(1)]**

The family may terminate the lease at any time, for any reason, by following the notification procedures as outlined in the lease. Such notice must be in writing and delivered to the property site office or the PHA central office or sent by pre-paid first-class mail, properly addressed.

#### HACSA Policy

If a family desires to move and terminate their tenancy with HACSA, they must give at least 30 calendar days advance written notice to HACSA of their intent to vacate. When a family must give less than 30 days notice due to circumstances beyond their control HACSA, at its discretion, may waive the 30 day requirement.

The notice of lease termination must be signed by the head of household.



## **PART II: TERMINATION BY PHA – MANDATORY**

### **13-II.A. OVERVIEW**

HUD requires mandatory termination of the lease for certain actions or inactions of the family. There are other actions or inactions of the family that constitute *grounds* for lease termination, but the lease termination is not mandatory. The PHA must establish policies for termination of the lease in these cases where termination is optional for the PHA.

For those tenant actions or failures to act where HUD requires termination, the PHA has no such option. In those cases, the family's lease must be terminated. This part describes situations in which HUD requires the PHA to terminate the lease.

### **13-II.B. FAILURE TO PROVIDE CONSENT [24 CFR 960.259(a) and (b)]**

The PHA must terminate the lease if any family member fails to sign and submit any consent form s/he is required to sign for any reexamination. See Chapter 7 for a complete discussion of consent requirements.

### **13-II.C. FAILURE TO DOCUMENT CITIZENSHIP [24 CFR 5.514(c) and (d) and 24 CFR 960.259(a)]**

The PHA must terminate the lease if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family, resulting in no eligible family members; or (3) a family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit. For (3), such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated.

See Chapter 7 for a complete discussion of documentation requirements.

**13-II.D. FAILURE TO DISCLOSE AND DOCUMENT SOCIAL SECURITY NUMBERS [24 CFR 5.218(c), 24 CFR 960.259(a)(3), Notice PIH 2012-10]**

The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

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

HACSA Policy

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

See Chapter 7 for a complete discussion of documentation and certification requirements.

**13-II.E. FAILURE TO ACCEPT THE PHA'S OFFER OF A LEASE REVISION [24 CFR 966.4(l)(2)(ii)(E)]**

The PHA must terminate the lease if the family fails to accept the PHA's offer of a lease revision to an existing lease, provided the PHA has done the following:

- The revision is on a form adopted by the PHA in accordance with 24 CFR 966.3 pertaining to requirements for notice to tenants and resident organizations and their opportunity to present comments.
- The PHA has made written notice of the offer of the revision at least 60 calendar days before the lease revision is scheduled to take effect.
- The PHA has specified in the offer a reasonable time limit within that period for acceptance by the family.

See Chapter 8 for information pertaining to PHA policies for offering lease revisions.

### **13-II.F. METHAMPHETAMINE CONVICTION [24 CFR 966.4(l)(5)(i)(A)]**

The PHA must immediately terminate the lease if the PHA determines that any household member has ever been convicted of the manufacture or production of methamphetamine on the premises of federally-assisted housing.

See Part 13-III.B. below for the HUD definition of *premises*.

### **13-II.G. LIFETIME REGISTERED SEX OFFENDERS [Notice PIH 2012-28]**

Should a PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member.

In this situation, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

### **13-II.H. NONCOMPLIANCE WITH COMMUNITY SERVICE REQUIREMENTS [24 CFR 966.4(l)(2)(ii)(D), 24 CFR 960.603(b) and 24 CFR 960.607(b)(2)(ii) and (c)]**

The PHA is prohibited from renewing the lease at the end of the 12 month lease term when the family fails to comply with the community service requirements as described in Chapter 11.

### **13-II.I. DEATH OF A SOLE FAMILY MEMBER [Notice PIH 2012-4]**

The PHA must terminate the lease following the death of the sole family member.



## **PART III: TERMINATION BY PHA – OTHER AUTHORIZED REASONS**

### **13-III.A. OVERVIEW**

Besides requiring PHAs to terminate the lease under the circumstances described in Part II, HUD requires the PHA to establish provisions in the lease for termination pertaining to certain criminal activity, alcohol abuse, and certain household obligations stated in the regulations. While these provisions for lease termination must be in the lease agreement, HUD does not require PHAs to terminate for such violations in all cases. The PHA has the discretion to consider circumstances surrounding the violation or, in applicable situations, whether the offending household member has entered or completed rehabilitation, and the PHA may, as an alternative to termination, require the exclusion of the culpable household member. The PHA must adopt policies concerning the use of these options.

In addition, HUD authorizes PHAs to terminate the lease for other grounds, but for only those grounds that constitute serious or repeated violations of material terms of the lease or for other good cause. The PHA must develop policies pertaining to what constitutes serious or repeated lease violations, and other good cause, based upon the content of the PHA lease. In the development of the terms of the lease, the PHA must consider the limitations imposed by state and local landlord-tenant law, as well as HUD regulations and federal statutes. Because of variations in state and local landlord-tenant law, and because HUD affords PHAs wide discretion in some areas, a broad range of policies could be acceptable.

The PHA, with some restrictions, also has the option to terminate the tenancies of families who are over income.

The PHA may consider alternatives to termination and must establish policies describing the criteria the PHA will use when deciding what action to take, the types of evidence that will be acceptable, and the steps the PHA must take when terminating a family's lease.

### **13-III.B. MANDATORY LEASE PROVISIONS [24 CFR 966.4(l)(5)]**

This section addresses provisions for lease termination that must be included in the lease agreement according to HUD regulations. Although the provisions are required, HUD does not require PHAs to terminate for such violations in all cases, therefore PHA policies are needed.

#### ***Definitions* [24 CFR 5.100]**

The following definitions will be used for this and other parts of this chapter:

*Affiliated individual* is defined in section 16-VII.B.

*Covered person* means a tenant, any member of the tenant's household, a guest, or another person under the tenant's control.

*Dating violence* is defined in section 16-VII.B.

*Domestic violence* is defined in section 16-VII.B.

*Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act [21 U.S.C. 802].

*Drug-related criminal activity* means the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with the intent to manufacture, sell, distribute, or use the drug.

*Guest* means a person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant.

*Household* means the family and PHA-approved live-in aide. The term household also includes foster children and/or foster adults that have been approved to reside in the unit [HUD-50058, Instruction Booklet, p. 65].

*Other person under the tenant's control* means that the person, although not staying as a guest in the unit, is, or was at the time of the activity in question, on the premises because of an invitation from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not *under the tenant's control*.

*Premises* means the building or complex or development in which the public or assisted housing dwelling unit is located, including common areas and grounds.

*Sexual assault* is defined in section 16-VII.B.

*Stalking* is defined in section 16-VII.B.

*Violent criminal activity* means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

### **Drug Crime On or Off the Premises [24 CFR 966.4(l)(5)(i)(B)]**

The lease must provide that drug-related criminal activity engaged in on or off the premises by the tenant, member of the tenant's household or guest, or any such activity engaged in on the premises by any other person under the tenant's control is grounds for termination.

#### HACSA Policy

HACSA will terminate the lease for drug-related criminal activity engaged in on or off the premises by any tenant, member of the tenant's household or guest, and any such activity engaged in on the premises by any other person under the tenant's control.

HACSA will consider all credible evidence, including but not limited to, any record of arrests or convictions of covered persons related to the drug-related criminal activity.

In making its decision to terminate the lease, HACSA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, HACSA may, on a case-by-case basis, choose not to terminate the lease.

### **Illegal Use of a Drug [24 CFR 966.4(l)(5)(i)(B)]**

The lease must provide that a PHA may evict a family when the PHA determines that a household member is illegally using a drug or that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

#### HACSA Policy

HACSA will terminate the lease when HACSA determines that a household member is illegally using a drug or HACSA determines that a pattern of illegal use of a drug interferes with the health, safety, or right to peaceful enjoyment of the premises by other residents.

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

In making its decision to terminate the lease, HACSA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, HACSA may, on a case-by-case basis, choose not to terminate the lease.

### **Threat to Other Residents [24 CFR 966.4(l)(5)(ii)(A)]**

The lease must provide that any criminal activity by a covered person that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including PHA management staff residing on the premises) or by persons residing in the immediate vicinity of the premises is grounds for termination of tenancy.

#### HACSA Policy

HACSA will terminate the lease when a covered person engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents (including HACSA management staff residing on the premises) or by persons residing in the immediate vicinity of the premises.

*Immediate vicinity* means within a three-block radius of the premises.

HACSA will consider all credible evidence, including but not limited to, any record of arrests or convictions of covered persons related to the criminal activity.

In making its decision to terminate the lease, HACSA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, HACSA may, on a case-by-case basis, choose not to terminate the lease.

### **Alcohol Abuse [24 CFR 966.4(l)(5)(vi)(A)]**

PHAs must establish standards that allow termination of tenancy if the PHA determines that a household member has engaged in abuse or pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

#### HACSA Policy

HACSA will terminate the lease if HACSA determines that a household member has engaged in abuse or a pattern of abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

HACSA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the abuse of alcohol.

In making its decision to terminate the lease, HACSA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, HACSA may, on a case-by-case basis, choose not to terminate the lease.

**Furnishing False or Misleading Information Concerning Illegal Drug Use or Alcohol Abuse or Rehabilitation [24 CFR 966.4(l)(5)(vi)(B)]**

PHAs must establish standards that allow termination of tenancy if the PHA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

HACSA Policy

HACSA will terminate the lease if HACSA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

HACSA will consider all credible evidence, including but not limited to, any record of arrests or convictions of household members related to the use of illegal drugs or the abuse of alcohol, and any records or other documentation (or lack of records or documentation) supporting claims of rehabilitation of illegal drug users or alcohol abusers.

In making its decision to terminate the lease, HACSA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, HACSA may, on a case-by-case basis, choose not to terminate the lease.

**Other Serious or Repeated Violations of Material Terms of the Lease – Mandatory Lease Provisions [24 CFR 966.4(l)(2)(i) and 24 CFR 966.4(f)]**

HUD regulations require certain tenant obligations to be incorporated into the lease. Violations of such regulatory obligations are considered to be serious or repeated violations of the lease and grounds for termination. Incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking [24 CFR 5.2005(c)(1)].

HACSA Policy

HACSA will terminate the lease for the following violations of tenant obligations under the lease:

Failure to make payments due under the lease, including nonpayment of rent (see Chapter 8 for details pertaining to lease requirements for payments due);

Repeated late payment of rent or other charges. Three late payments within a 12 month period shall constitute a repeated late payment.

Failure to fulfill the following household obligations:

Not to assign the lease or to sublease the dwelling unit. Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

Not to provide accommodations for boarders or lodgers

To use the dwelling unit solely as a private dwelling for the tenant and the tenant's household as identified in the lease, and not to use or permit its use for any other purpose

To abide by necessary and reasonable regulations promulgated by HACSA for the benefit and well-being of the housing project and the tenants which shall be posted in the project office and incorporated by reference in the lease

To comply with all obligations imposed upon tenants by applicable provisions of building and housing codes materially affecting health and safety

To keep the dwelling unit and such other areas as may be assigned to the tenant for the tenant's exclusive use in a clean and safe condition

To dispose of all ashes, garbage, rubbish, and other waste from the dwelling unit in a sanitary and safe manner

To use only in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and appurtenances including elevators

To refrain from, and to cause the household and guests to refrain from destroying, defacing, damaging, or removing any part of the dwelling unit or project

To pay reasonable charges (other than for normal wear and tear) for the repair of damages to the dwelling unit, or to the project (including damages to project buildings, facilities or common areas) caused by the tenant, a member of the household or a guest

To act, and cause household members or guests to act, in a manner which will not disturb other residents' peaceful enjoyment of their accommodations and will be conducive to maintaining the project in a decent, safe and sanitary condition

In making its decision to terminate the lease, HACSA will consider alternatives as described in Section 13-III.D and other factors as described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, HACSA may, on a case-by-case basis, choose not to terminate the lease.

### **13-III.C. OTHER AUTHORIZED REASONS FOR TERMINATION [24 CFR 966.4(l)(2) and (5)(ii)(B)]**

HUD authorizes PHAs to terminate the lease for reasons other than those described in the previous sections. These reasons are referred to as “other good cause.”

#### **Other Good Cause [24 CFR 966.4(l)(2)(ii)(B) and (C)]**

HUD regulations state that the PHA may terminate tenancy for other good cause. The regulations provide a few examples of other good cause, but do not limit the PHA to only those examples. The Violence against Women Reauthorization Act of 2013 explicitly prohibits PHAs from considering incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking as “other good cause” for terminating the assistance, tenancy, or occupancy rights of the victim or threatened victim of such violence [24 CFR 5.2005(c)(1)].

#### HACSA Policy

HACSA will terminate the lease for the following reasons.

*Fugitive Felon or Parole Violator.* If a tenant is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or violating a condition of probation or parole imposed under federal or state law.

*Persons subject to sex offender registration requirement.* If any member of the household has, during their current public housing tenancy, become subject to a registration requirement under a state sex offender registration program.

Discovery of facts after admission to the program that would have made the tenant ineligible

Discovery of material false statements or fraud by the tenant in connection with an application for assistance or with a reexamination of income

Failure to furnish such information and certifications regarding family composition and income as may be necessary for HACSA to make determinations with respect to rent, eligibility, and the appropriateness of the dwelling unit size

Failure to transfer to an appropriate size dwelling unit based on family composition, upon appropriate notice by HACSA that such a dwelling unit is available

Failure to permit access to the unit by HACSA after proper advance notification for the purpose of performing routine inspections and maintenance, for REAC or other inspections, for contractor entry, for making improvements or repairs, or to show the dwelling unit for re-leasing, or without advance notice if there is reasonable cause to believe that an emergency exists

Failure to promptly inform HACSA of the birth, adoption or court-awarded custody of a child. In such a case, promptly means within 14 calendar days of the event.

Failure to abide by the provisions of HACSA pet policy

Failure to abide by HACSA guest policy.

Allowing individual or individuals to reside in the unit without HACSA approval.

If the family has breached the terms of a repayment agreement entered into with HACSA

If a family member has violated federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

If a household member has engaged in or threatened violent or abusive behavior toward HACSA personnel.

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

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

In making its decision to terminate the lease, HACSA will consider alternatives as described in Section 13-III.D and other factors described in Sections 13-III.E and 13-III.F. Upon consideration of such alternatives and factors, HACSA may, on a case-by-case basis, choose not to terminate the lease.

#### ***Family Absence from Unit [24 CFR 982.551(i)]***

It is reasonable that the family may be absent from the public housing unit for brief periods. However, the PHA needs a policy on how long the family may be absent from the unit. Absence in this context means that no member of the family is residing in the unit.

#### HACSA Policy

The family must supply any information or certification requested by HACSA to verify that the family is living in the unit, or relating to family absence from the unit, including any HACSA-requested information or certification on the purposes of family absences. The family must cooperate with HACSA for this purpose.

The family must promptly notify HACSA before all family members will be absent from the unit for more than 7 calendar days. The family must obtain HACSA approval before all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 30 calendar days. Absences of the entire family for more than 30 days will be considered on a case-by-case basis.

If a family is absent from the public housing unit for more than 30 consecutive days without HACSA approval, and the family does not adequately verify that they are living in the unit, the unit will be considered abandoned, and HACSA will terminate the lease for other good cause.

*Abandonment of the unit.* If the family appears to have vacated the unit without giving proper notice, HACSA will follow state and local landlord-tenant law pertaining to abandonment before taking possession of the unit. If necessary, HACSA will secure the unit immediately to prevent vandalism and other criminal activity.

### **Over-Income Families [24 CFR 960.261 and FR 11/26/04, p. 68786]**

Subject to certain restrictions, HUD authorizes PHAs to evict or terminate the tenancies of families because they are over income. Unless required to do so by local law, the PHA may not evict or terminate the tenancy of a family solely because the family is over income if: (1) the family has a valid contract of participation in the Family Self-Sufficiency (FSS) program, or (2) the family is currently receiving the earned income disallowance. This rule does not require PHAs to evict over-income residents, but rather gives PHAs the discretion to do so thereby making units available for applicants who are income-eligible.

#### HACSA Policy

HACSA will not evict or terminate the tenancies of families solely because they are over income.

### **13-III.D. ALTERNATIVES TO TERMINATION OF TENANCY**

#### **Exclusion of Culpable Household Member [24 CFR 966.4(l)(5)(vii)(C)]**

As an alternative to termination of the lease for criminal activity or alcohol abuse HUD provides that the PHA may consider exclusion of the culpable household member. Such an alternative can be used for any other reason where such a solution appears viable in accordance with PHA policy.

Additionally, under the Violence against Women Reauthorization Act of 2013, the PHA may bifurcate a lease in order to terminate the tenancy of an individual who is a tenant or lawful occupant of a unit and engages in criminal activity directly related to domestic violence, dating violence, sexual assault, or stalking.

#### HACSA Policy

HACSA will consider requiring the tenant to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

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

#### **Repayment of Family Debts**

#### HACSA Policy

If a family owes amounts to HACSA, as a condition of continued occupancy, at its discretion, HACSA may either require the family to either repay the full amount or may allow the family to enter into a repayment agreement in certain circumstances. See Chapter 16 for policies on repayment agreements.

### **13-III.E. CRITERIA FOR DECIDING TO TERMINATE TENANCY**

A PHA that has grounds to terminate a tenancy is not required to do so, except as explained in Part II of this chapter, and may consider all of the circumstances relevant to a particular case before making a decision.

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

For criminal activity, HUD permits the PHA to terminate the lease if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted, and without satisfying the standard of proof used for a criminal conviction.

#### HACSA Policy

HACSA will use the preponderance of the evidence as the standard for making all termination decisions.

*Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

## **Consideration of Circumstances [24 CFR 966.4(l)(5)(vii)(B)]**

Although it is required that certain lease provisions exist for criminal activity and alcohol abuse, HUD provides that the PHA may consider all circumstances relevant to a particular case in order to determine whether or not to terminate the lease.

Such relevant circumstances can also be considered when terminating the lease for any other reason.

### HACSA Policy

HACSA will consider the following factors before deciding whether to terminate the lease for any of the HUD required lease provisions or for any other reasons:

The seriousness of the offending action, especially with respect to how it would affect other residents

The extent of participation or culpability of the leaseholder, or other household members, in the offending action, including whether the culpable member is a minor, a person with disabilities, or (as discussed further in section 13-III.F) a victim of domestic violence, dating violence, sexual assault, or stalking

The effects that the eviction will have on other family members who were not involved in the action or failure to act

The effect on the community of the termination, or of HACSA's failure to terminate the tenancy

The effect of HACSA's decision on the integrity of the public housing program

The demand for housing by eligible families who will adhere to lease responsibilities

The extent to which the leaseholder has shown personal responsibility and whether they have taken all reasonable steps to prevent or mitigate the offending action

The length of time since the violation occurred, the family's recent history, and the likelihood of favorable conduct in the future

In the case of program abuse, the dollar amount of the underpaid rent and whether or not a false certification was signed by the family

**Consideration of Rehabilitation [24 CFR 966.4(l)(5)(vii)(D)]**

HUD authorizes PHAs to take into consideration whether a household member who had used illegal drugs or abused alcohol and is no longer engaging in such use or abuse is participating in or has successfully completed a supervised drug or alcohol rehabilitation program.

HACSA Policy

In determining whether to terminate the lease for illegal drug use or a pattern of illegal drug use, or for abuse or a pattern of abuse of alcohol, by a household member who is no longer engaging in such use or abuse, HACSA will consider whether such household member has successfully completed a supervised drug or alcohol rehabilitation program.

For this purpose HACSA will require the tenant to submit evidence of the household member's successful completion of a supervised drug or alcohol rehabilitation program.

**Reasonable Accommodation [24 CFR 966.7]**

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

HACSA Policy

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

**Nondiscrimination Limitation [24 CFR 966.4(l)(5)(vii)(F)]**

The PHA's eviction actions must be consistent with fair housing and equal opportunity provisions of 24 CFR 5.105.

### **13-III.F. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

This section addresses the protections against termination of tenancy that the Violence against Women Act of 2013 (VAWA) provides for public housing residents who are victims of domestic violence, dating violence, sexual assault, or stalking. For general VAWA requirements and PHA policies pertaining to notification, documentation, and confidentiality, see section 16-VII of this ACOP, where definitions of key VAWA terms are also located.

#### **VAWA Protections against Termination [24 CFR 5.2005(c)]**

VAWA provides that no person may deny assistance, tenancy, or occupancy rights to public housing to a tenant solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant, if the tenant or affiliated individual is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking [FR Notice 8/6/13].

VAWA further provides that incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed either as serious or repeated violations of the lease by the victim or threatened victim of such violence or as good cause for terminating the tenancy or occupancy rights of the victim of such violence [24 CFR 5.2005(c)(1), FR Notice 9/6/13].

#### **Limits on VAWA Protections [24 CFR 5.2005(d) and (e), FR Notice 8/6/13]**

While VAWA prohibits a PHA from using domestic violence, dating violence, sexual assault, or stalking as the cause for a termination or eviction action against a public housing tenant who is the victim of the abuse, the protections it provides are not absolute. Specifically:

- VAWA does not limit a PHA's otherwise available authority to terminate assistance to or evict a victim for lease violations not premised on an act of domestic violence, dating violence, sexual assault, or stalking providing that the PHA does not subject the victim to a more demanding standard than the standard to which it holds other tenants.
- VAWA does not limit a PHA's authority to terminate the tenancy of any public housing tenant if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant's tenancy is not terminated.

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur [24 CFR 5.2005(e)]

Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat, including but not limited to transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat" [24 CFR 5.2005(d)(3)]. Additionally, HUD regulations state that restrictions "predicated on public safety cannot be based on stereotypes, but must be tailored to particularized concerns about individual residents" [24 CFR 5.2005(d)(3)].

#### HACSA Policy

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

Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault, or stalking

Whether the threat is a physical danger beyond a speculative threat

Whether the threat is likely to happen within a short period of time

Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location, transferring the victim to another unit, or seeking a legal remedy to prevent the perpetrator from acting on the threat

If the tenant wishes to contest HACSA's determination that he or she is an actual and imminent threat to other tenants or employees, the tenant may do so as part of the grievance hearing or in a court proceeding.

#### **Documentation of Abuse [24 CFR 5.2007]**

##### HACSA Policy

When an individual facing termination of tenancy for reasons related to domestic violence, dating violence, sexual assault, or stalking claims protection under VAWA, t HACSA will request in writing that the individual provide documentation supporting the claim in accordance with the policies in section 16-VII.D of this ACOP.

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

## **Terminating or Evicting a Perpetrator of Domestic Violence**

Although VAWA provides protection from termination for victims of domestic violence, it does not provide such protection for perpetrators. In fact, VAWA gives the PHA the explicit authority to bifurcate a lease, or remove a household member from a lease, “in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual, without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such criminal activity who is also a tenant or lawful occupant of the housing” [FR Notice 8/6/13]. Moreover, HUD regulations impose on the PHA the obligation to consider lease bifurcation in any circumstances involving domestic violence, dating violence, or stalking [24 CFR 966.4(e)(9)].

Specific lease language affirming the PHA’s authority to bifurcate a lease is not necessary, and the authority supersedes any local, state, or federal law to the contrary. However, if the PHA chooses to exercise its authority to bifurcate a lease, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law for eviction, lease termination, or termination of assistance. This means that the PHA must follow the same rules when terminating or evicting an individual as it would when terminating or evicting an entire family [FR Notice 3/16/07].

### HACSA Policy

HACSA will bifurcate a family’s lease and terminate the tenancy of a family member if HACSA determines that the family member has committed criminal acts of physical violence against other family members or others. This action will not affect the tenancy or program assistance of the remaining, nonculpable family members.

In making its decision, HACSA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-50066) or other documentation of abuse submitted to HACSA by the victim in accordance with this section and section 16-VII.D. HACSA will also consider the factors in section 13.III.E. Upon such consideration, HACSA may, on a case-by-case basis, choose not to bifurcate the lease and terminate the tenancy of the culpable family member.

If HACSA does bifurcate the lease and terminate the tenancy of the culpable family member, it will do so in accordance with the lease, applicable law, and the policies in this ACOP. If the person removed from the lease was the only tenant eligible to receive assistance, HACSA must provide any remaining tenant a chance to establish eligibility for the unit. If the remaining tenant cannot do so, HACSA must provide the tenant reasonable time to find new housing or to establish eligibility for another housing program covered by VAWA 2013.

## **PART IV: NOTIFICATION REQUIREMENTS, EVICTION PROCEDURES AND RECORD KEEPING**

### **13-IV.A. OVERVIEW**

HUD regulations specify the requirements for the notice that must be provided prior to lease termination. This part discusses those requirements and the specific requirements that precede and follow termination for certain criminal activities which are addressed in the regulations. This part also discusses specific requirements pertaining to the actual eviction of families and record keeping.

### **13-IV.B. CONDUCTING CRIMINAL RECORDS CHECKS [24 CFR 5.903(e)(ii) and 24 CFR 960.259]**

HUD authorizes PHAs to conduct criminal records checks on public housing residents for lease enforcement and eviction. PHA policy determines when the PHA will conduct such checks.

#### HACSA Policy

HACSA will conduct criminal records checks when it has come to the attention of HACSA, either from local law enforcement or by other means, that an individual has engaged in the destruction of property, engaged in violent activity against another person, or has interfered with the right to peaceful enjoyment of the premises of other residents. Such checks will also include sex offender registration information. In order to obtain such information, all adult household members must sign consent forms for release of criminal conviction and sex offender registration records on an annual basis.

The PHA may not pass along to the tenant the costs of a criminal records check.

**13-IV.C. DISCLOSURE OF CRIMINAL RECORDS TO FAMILY [24 CFR 5.903(f), 24 CFR 5.905(d) and 24 CFR 966.4(l)(5)(iv)]**

In conducting criminal records checks, if the PHA uses the authority of 24 CFR 5.903 and 5.905 to obtain such information, certain protections must be afforded the tenant before any adverse action is taken. In such cases if the PHA obtains criminal records information from a state or local agency showing that a household member has been convicted of a crime, or is subject to a sex offender registration requirement, relevant to lease enforcement or eviction, the PHA must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of such information, and an opportunity to dispute the accuracy and relevance of the information before an eviction or lease enforcement action is taken.

HACSA Policy

In all cases where criminal record or sex offender registration information would result in lease enforcement or eviction, HACSA will notify the household in writing of the proposed adverse action and will provide the subject of the record and the tenant a summary of such information, and an opportunity to dispute the accuracy and relevance of the information before an eviction or lease enforcement action is taken.

The family will be given 14 calendar days from the date of the HACSA notice, to dispute the accuracy and relevance of the information. If the family does not contact HACSA to dispute the information within that 14 calendar day period, HACSA will proceed with the termination action.

Should the tenant not exercise their right to dispute prior to any adverse action, the tenant still has the right to dispute in the grievance hearing or court trial.

### **13-IV.D. LEASE TERMINATION NOTICE [24 CFR 966.4(l)(3)]**

#### **Form, Delivery, and Content of the Notice**

Notices of lease termination must be in writing. The notice must state the specific grounds for termination, the date the termination will take place, the resident's right to reply to the termination notice, and their right to examine PHA documents directly relevant to the termination or eviction. If the PHA does not make the documents available for examination upon request by the tenant, the PHA may not proceed with the eviction [24 CFR 996.4(m)].

When the PHA is required to offer the resident an opportunity for a grievance hearing, the notice must also inform the resident of their right to request a hearing in accordance with the PHA's grievance procedure. In these cases, the tenancy shall not terminate until the time for the tenant to request a grievance hearing has expired and the grievance procedure has been completed.

When the PHA is not required to offer the resident an opportunity for a grievance hearing because HUD has made a due process determination and the lease termination is for criminal activity that threatens health, safety or right to peaceful enjoyment or for drug-related criminal activity, the notice of lease termination must state that the tenant is not entitled to a grievance hearing on the termination. It must specify the judicial eviction procedure to be used by the PHA for eviction of the tenant, and state that HUD has determined that the eviction procedure provides the opportunity for a hearing in court that contains the basic elements of due process as defined in HUD regulations. The notice must also state whether the eviction is for a criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the PHA, or for a drug-related criminal activity on or off the premises.

#### HACSA Policy

All lease termination notices will be sent by first-class mail. HACSA will also attempt to deliver notices of lease termination directly to the tenant or an adult member of the household or post in a sealed envelope to the front door.

All notices of lease termination will include information about the protection against termination provided by the Violence against Women Reauthorization Act of 2013 (VAWA) for victims of domestic violence, dating violence, sexual assault, or stalking (see section 16-VII.C). HACSA will also include a copy of the form HUD-50066 and a notice of VAWA rights to accompany the termination notice. Any tenant who claims that the cause for termination involves (a) criminal acts of physical violence against family members or others or (b) incidents of domestic violence, dating violence, sexual assault, or stalking of which the tenant or affiliated individual of the tenant is the victim will be given the opportunity to provide documentation in accordance with the policies in sections 13-III.F and 16-VII.D.

### **Timing of the Notice [24 CFR 966.4(l)(3)(i)]**

The PHA must give written notice of lease termination of:

- 14 calendar days in the case of failure to pay rent
- A reasonable period of time considering the seriousness of the situation (but not to exceed 30 calendar days)

If the health or safety of other residents, PHA employees, or persons residing in the immediate vicinity of the premises is threatened

If any member of the household has engaged in any drug-related criminal activity or violent criminal activity

- 30 calendar days in any other case, except that if a state or local law allows a shorter notice period, such shorter period shall apply

#### HACSA Policy

All lease termination notices will be sent by first-class mail. HACSA may also attempt to deliver notices of lease termination directly to the tenant or an adult member of the household or post in a sealed envelope to the front door. Except where otherwise stated, HACSA will give 30 days' written notice.

Oregon state law allows 24 hour termination notice for certain circumstance, and HACSA will serve 24 hour lease termination notices per Oregon state law.

Oregon state law allows 72 hour termination notice for certain circumstance, and HACSA will serve 72 hour lease termination notices per Oregon state law.

The Notice to Vacate that may be required under state or local law may be combined with or run concurrently with the notice of lease termination.

### **Notice of Nonrenewal Due to Community Service Noncompliance [24 CFR 966.4(l)(2)(ii)(D), 24 CFR 960.603(b) and 24 CFR 960.607(b)]**

When the PHA finds that a family is in noncompliance with the community service requirement, the tenant and any other noncompliant resident must be notified in writing of this determination. Notices of noncompliance will be issued in accordance with the requirements and policies in Section 11-I.E.

#### HACSA Policy

If after receiving a notice of initial noncompliance the family does not request a grievance hearing, or does not take either corrective action required by the notice within the required timeframe, a termination notice will be issued in accordance with the policies above.

If a family agreed to cure initial noncompliance by signing a work-out agreement, and is still in noncompliance after being provided the 12-month opportunity to cure, the family will be issued a notice of continued noncompliance. The notice of continued noncompliance will be sent in accordance with the policies in Section 11-I.E. and will also serve as the notice of termination of tenancy.

### **Notice of Termination Based on Citizenship Status [24 CFR 5.514 (c) and (d)]**

In cases where termination of tenancy is based on citizenship status, HUD requires the notice of termination to contain additional information. In addition to advising the family of the reasons their assistance is being terminated, the notice must also advise the family of any of the following that apply: the family's eligibility for proration of assistance, the criteria and procedures for obtaining relief under the provisions for preservation of families, the family's right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or a written explanation in support of the appeal, and the family's right to request an informal hearing with the PHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal. Please see Chapter 14 for the PHA's informal hearing procedures.

### **13-IV.E. EVICTION [24 CFR 966.4(l)(4) and 966.4(m)]**

Eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The PHA may only evict the tenant from the unit by instituting a court action, unless the law of the jurisdiction permits eviction by administrative action, after a due process administrative hearing, and without a court determination of the rights and liabilities of the parties.

#### HACSA Policy

When a family does not vacate the unit after receipt of a termination notice, by the deadline given in the notice, HACSA will follow state and local landlord-tenant law in filing an eviction action with the local court that has jurisdiction in such cases.

If the eviction action is finalized in court and the family remains in occupancy beyond the deadline to vacate given by the court, HACSA will seek the assistance of the court to remove the family from the premises as per state and local law.

The PHA may not proceed with an eviction action if the PHA has not made available the documents to be used in the case against the family, and has not afforded the family the opportunity to examine and copy such documents in accordance with the provisions of 24 CFR 966.4(l)(3) and (m).

### **13-IV.F. NOTIFICATION TO POST OFFICE [24CFR 966.4(l)(5)(iii)(B)]**

When the PHA evicts an individual or family for criminal activity, including drug-related criminal activity, the PHA must notify the local post office serving the dwelling unit that the individual or family is no longer residing in the unit.

### **13-IV.G. RECORD KEEPING**

For more information concerning general record keeping, see Chapter 16.

#### HACSA Policy

A written record of every termination and/or eviction will be maintained by the PHA at the development where the family was residing, and will contain the following information:

Name of resident, number and identification of unit occupied

Date of the notice of lease termination and any other notices required by state or local law; these notices may be on the same form and will run concurrently

Specific reason(s) for the notices, citing the lease section or provision that was violated, and other facts pertinent to the issuing of the notices described in detail (other than any criminal history reports obtained solely through the authorization provided in 24 CFR 5.903 and 5.905)

Date and method of notifying the resident

Summaries of any conferences held with the resident including dates, names of conference participants, and conclusions

## Chapter 14

### GRIEVANCES AND APPEALS

#### INTRODUCTION

This chapter discusses grievances and appeals pertaining to PHA actions or failures to act that adversely affect public housing applicants or residents. The policies are discussed in the following three parts:

Part I: Informal Hearings for Public Housing Applicants. This part outlines the requirements and procedures for informal hearings for public housing applicants.

Part II: Informal Hearings with Regard to Noncitizens. This part discusses informal hearings regarding citizenship status and where they differ from the requirements for general applicant and tenant grievances.

Part III: Grievance Procedures for Public Housing Residents. This part outlines the requirements and procedures for handling grievances for public housing residents.

Note that this chapter is not the PHA's grievance procedure. The grievance procedure is a document separate from the ACOP. This chapter of the ACOP provides the policies that drive the grievance procedure.

#### **PART I: INFORMAL HEARINGS FOR PUBLIC HOUSING APPLICANTS**

##### **14-I.A. OVERVIEW**

When the PHA makes a decision that has a negative impact on an applicant family, the family is often entitled to appeal the decision. For applicants, the appeal takes the form of an informal hearing. HUD regulations do not provide a structure for or requirements regarding informal hearings for applicants (except with regard to citizenship status, to be covered in Part II). This part discusses the PHA policies necessary to respond to applicant appeals through the informal hearing process.

#### **14-I.B. INFORMAL HEARING PROCESS [24 CFR 960.208(a) and PH Occ GB, p. 58]**

Informal hearings are provided for public housing applicants. An applicant is someone who has applied for admission to the public housing program, but is not yet a tenant in the program. Informal hearings are intended to provide a means for an applicant to dispute a determination of ineligibility for admission to a project [24 CFR 960.208(a)]. Applicants to public housing are not entitled to the same hearing process afforded tenants under the PHA grievance procedures [24 CFR 966.53(a) and PH Occ GB, p. 58].

Informal hearings provide applicants the opportunity to review the reasons for denial of admission and to present evidence to refute the grounds for denial.

##### **Use of Informal Hearing Process**

While the PHA must offer the opportunity of an informal hearing to applicants who have been determined as ineligible for admission, the PHA could make the informal hearing process available to applicants who wish to dispute other PHA actions that adversely affect them.

##### HACSA Policy

HACSA will only offer informal hearings to applicants for the purpose of disputing denials of admission.

##### **Notice of Denial [24 CFR 960.208(a)]**

The PHA must give an applicant prompt notice of a decision denying eligibility for admission. The notice must contain a brief statement of the reasons for the PHA decision, and must also state that the applicant may request an informal hearing to dispute the decision. The notice must describe how to obtain the informal hearing.

When denying eligibility for admission, the PHA must provide the family a notice of VAWA rights as well as the HUD VAWA self-certification form (form HUD-50066) in accordance with the Violence against Women Reauthorization Act of 2013, and as outlined in 16-VII.C. The notice and self-certification form must accompany the written notification of the denial of eligibility determination.

Prior to notification of denial based on information obtained from criminal or sex offender registration records, the family, in some cases, must be given the opportunity to dispute the information in those records which would be the basis of the denial. See Section 3-III.G for details concerning this requirement.

## **Scheduling an Informal Hearing**

### HACSA Policy

A request for an informal hearing must be made by phone or in writing by the close of the business day, no later than 14 calendar days from the date of HACSA's notification of denial of admission.

HACSA will attempt to schedule and send written notice of the informal hearing within 14 calendar days of the family's request.

## **Copying Documents**

### HACSA Policy

The family will be allowed to copy any documents related to the informal hearing (with the exception of criminal history documents, FBI reports, LEDS reports, law enforcement print-outs. A synopsis of this type of information can be made available) at a cost of \$5.00 initially and \$.05 per page. The family must request discovery of HACSA documents no later than 12:00 p.m. on the business day prior to the informal hearing.

## **Conducting an Informal Hearing [PH Occ GB, p. 58]**

### HACSA Policy

The informal hearing will be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

The applicant will be provided an opportunity to present written or oral objections to the decision of HACSA.

The person conducting the informal hearing will make the decision whether to uphold HACSA's initial determination of denial, to reverse HACSA's decision, or to remand for further action, such as reasonable accommodation.

## **Informal Hearing Decision [PH Occ GB, p. 58]**

### HACSA Policy

The applicant will be notified of HACSA's final decision, including a brief statement of the reasons for the final decision.

In rendering a decision, HACSA will evaluate the following matters:

Whether or not the grounds for denial were stated factually in the notice

The validity of grounds for denial of admission. If the grounds for denial are not specified in the regulations or in HACSA policy, then the decision to deny assistance will be overturned. See Chapter 3 for a detailed discussion of the grounds for applicant denial.

The validity of the evidence. HACSA will evaluate whether the facts presented prove the grounds for denial of admission. If the facts prove that there are grounds for denial, and the denial is required by HUD, HACSA will uphold the decision to deny admission.

If the facts prove the grounds for denial, and the denial is discretionary, HACSA will weigh the evidence and consider all relevant facts.

HACSA will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The decision will be based on the preponderance of evidence, which is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence. The notice will be mailed within 14 calendar days of the informal hearing to the applicant and his or her representative, if any.

If the informal hearing decision overturns the denial, processing for admission will resume.

If the family fails to appear for their informal hearing, the denial of admission will stand and the family will be so notified.

## **Reasonable Accommodation for Persons with Disabilities [24 CFR 966.7]**

Persons with disabilities may request reasonable accommodations to participate in the informal hearing process and the PHA must consider such accommodations. The PHA must also consider reasonable accommodation requests pertaining to the reasons for denial if related to the person's disability. See Chapter 2 for more detail pertaining to reasonable accommodation requests.

## **PART II: INFORMAL HEARINGS WITH REGARD TO NONCITIZENS**

### **14-II.A. HEARING AND APPEAL PROVISIONS FOR NONCITIZENS [24 CFR 5.514]**

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. These special hearings are referred to in the regulations as informal hearings, but the requirements for such hearings are different from the informal hearings used to deny applicants for reasons other than immigration status.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while the PHA hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or the PHA informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

#### **Notice of Denial or Termination of Assistance [24 CFR 5.514(d)]**

As discussed in Chapters 3 and 13, the notice of denial or termination of assistance for noncitizens must advise the family of any of the following that apply:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance.
- In the case of a tenant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with the PHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

## **United States Citizenship and Immigration Services Appeal Process [24 CFR 5.514(e)]**

When the PHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the PHA must notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide the PHA with a copy of the written request for appeal and proof of mailing.

### HACSA Policy

HACSA will notify the family in writing of the results of the USCIS secondary verification within 14 calendar days of receiving the results.

The family must provide HACSA with a copy of the written request for appeal and proof of mailing within 14 calendar days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to the PHA, of its decision. When the USCIS notifies the PHA of the decision, the PHA must notify the family of its right to request an informal hearing.

### HACSA Policy

HACSA will send written notice to the family of its right to request an informal hearing within 14 calendar days of receiving notice of the USCIS decision regarding the family's immigration status.

## **Informal Hearing Procedures for Applicants [24 CFR 5.514(f)]**

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, an applicant family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of denial, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for applicant families are described below.

### ***Informal Hearing Officer***

The PHA must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision.

### ***Evidence***

The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of the PHA pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

#### HACSA Policy

The family will be allowed to copy any documents related to the hearing (with the exception of criminal history documents, FBI reports, LEDS reports, law enforcement print-outs. A synopsis of this type information can be made available) at a cost of \$5.00 initially and \$.05 per page. The family must request discovery of HACSA documents no later than 12:00 p.m. on the business day prior to the hearing.

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family must also be provided the opportunity to refute evidence relied upon by the PHA, and to confront and cross-examine all witnesses on whose testimony or information the PHA relies.

### ***Representation and Interpretive Services***

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to request an interpreter. The PHA is obligated to provide a competent interpreter, free of charge, upon request. The family may also or instead provide its own interpreter, at the expense of the family.

### ***Recording of the Hearing***

The family is entitled to have the hearing recorded by audiotape. The PHA may, but is not required to provide a transcript of the hearing.

#### HACSA Policy

HACSA will not provide a transcript of an audio taped informal hearing.

HACSA will conduct any recording of the informal hearing.

### ***Hearing Decision***

The PHA must provide the family with a written notice of the final decision, based solely on the facts presented at the hearing, within 14 calendar days of the date of the informal hearing. The notice must state the basis for the decision. The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. An extended time period to provide the family a written notice of the final decision may be required to gather additional information or to allow time for the applicant to submit additional information.

If the family misses an appointment or deadline ordered by the hearing officer, the action of the PHA will take effect and another hearing will not be granted.

### **Retention of Documents [24 CFR 5.514(h)]**

The PHA must retain for a minimum of 5 years the following documents that may have been submitted to the PHA by the family, or provided to the PHA as part of the USCIS appeal or the PHA informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

### **Informal Hearing Procedures for Residents [24 CFR 5.514(f)]**

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, a resident family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of termination, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for resident families whose tenancy is being terminated based on immigration status is the same as for any grievance under the grievance procedures for resident families found in Part III below.

## **PART III: GRIEVANCE PROCEDURES FOR PUBLIC HOUSING RESIDENTS**

### **14-III.A. REQUIREMENTS [24 CFR 966.52]**

PHAs must have a grievance procedure in place through which residents of public housing are provided an opportunity to grieve any PHA action or failure to act involving the lease or PHA policies which adversely affect their rights, duties, welfare, or status. The PHA must not only meet the minimal procedural due process requirements provided under the regulations, but must also meet any additional requirements imposed by local, state or federal law.

The PHA informal settlement discussion and grievance procedure must be included in, or incorporated by reference in, the lease.

#### HACSA Policy

HACSA informal settlement discussion and grievance procedure will be incorporated by reference in the tenant lease.

The PHA must provide the family a notice of VAWA rights as well as the HUD VAWA self-certification form (form HUD-50066) in accordance with the Violence against Women Reauthorization Act of 2013, and as outlined in 16-VII.C. The notice and self-certification form must accompany the written notification of the denial of the resident's right to an informal settlement discussion.

The PHA must provide at least 30 days notice to tenants and resident organizations setting forth proposed changes in the PHA grievance procedure, and provide an opportunity to present written comments. Comments submitted must be considered by the PHA before adoption of any changes to the grievance procedure by the PHA.

#### HACSA Policy

Residents and resident organizations will have 30 calendar days from the date they are notified by HACSA of any proposed changes in the HACSA grievance procedure, to submit written comments to HACSA.

The PHA must furnish a copy of the grievance procedure to each tenant and to resident organizations.

#### **14-III.B. DEFINITIONS [24 CFR 966.53; 24 CFR 966.51(a)(2)(i)]**

There are several terms used by HUD with regard to public housing grievance procedures, which take on specific meanings different from their common usage. These terms are as follows:

- **Grievance** – any dispute which a tenant may have with respect to PHA action or failure to act in accordance with the individual tenant’s lease or PHA regulations which adversely affect the individual tenant’s rights, duties, welfare or status
- **Complainant** – any tenant whose grievance is presented to the PHA or at the project management office
- **Due Process Determination** – a determination by HUD that law of the jurisdiction requires that the tenant must be given the opportunity for a hearing in court which provides the basic elements of due process before eviction from the dwelling unit
- **Expedited Grievance** – a procedure established by the PHA for any grievance or termination that involves:
  - Any criminal activity that threatens the health, safety, or right to peaceful enjoyment or the PHA’s public housing premises by other residents or employees of the PHA; or
  - Any drug-related criminal activity on or off the premises
- **Elements of Due Process** – an eviction action or a termination of tenancy in a state or local court in which the following procedural safeguards are required:
  - Adequate notice to the tenant of the grounds for terminating the tenancy and for eviction
  - Right of the tenant to be represented by counsel
  - Opportunity for the tenant to refute the evidence presented by the PHA including the right to confront and cross-examine witnesses and to present any affirmative legal or equitable defense which the tenant may have
  - A decision on the merits
- **Hearing Officer/Panel** – an impartial person or persons selected by the PHA, other than the person who made or approved the decision under review, or a subordinate of that person. The individual or individuals do not need legal training.
- **Tenant** – the adult person (or persons) (other than a live-in aide)
  - Who resides in the unit, and who executed the lease with the PHA as lessee of the dwelling unit, or, if no such person now resides in the unit,
  - Who resides in the unit, and who is the remaining head of household of the tenant family residing in the dwelling unit
- **Resident Organization** – includes a resident management corporation

### **14-III.C. APPLICABILITY [24 CFR 966.51]**

Grievances could potentially address most aspects of a PHA's operation. However, there are some situations for which the grievance procedure is not applicable.

The grievance procedure is applicable only to individual tenant issues relating to the PHA. It is not applicable to disputes between tenants not involving the PHA. Class grievances are not subject to the grievance procedure and the grievance procedure is not to be used as a forum for initiating or negotiating policy changes of the PHA.

If HUD has issued a due process determination, a PHA may exclude from the PHA grievance procedure any grievance concerning a termination of tenancy or eviction that involves:

- Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises of other residents or employees of the PHA
- Any violent or drug-related criminal activity on or off such premises

In states without due process determinations, PHAs must grant opportunity for grievance hearings for all lease terminations, regardless of cause, with the following exception: PHAs may use expedited grievance procedures for the first two of the three excluded categories listed above. These expedited grievance procedures are described in Section 14-III.E. Below.

If HUD has issued a due process determination, the PHA may evict through the state/local judicial eviction procedures. In this case, the PHA is not required to provide the opportunity for a hearing under the PHA's grievance procedure as described above.

#### HACSA Policy

HACSA is located in a HUD-declared due process state. Therefore, HACSA will not offer grievance hearings for lease terminations involving criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other residents or employees of the PHA, or for violent or drug-related criminal activity on or off the premises.

See Chapter 13 for related policies on the content of termination notices.

#### **14-III.D. INFORMAL SETTLEMENT DISCUSSION [24 CFR 966.54]**

HUD regulations state that any grievance must be personally presented, either orally or in writing, to the PHA office or to the office of the housing development in which the complainant resides so that the grievance may be discussed informally and settled without a hearing.

##### HACSA Policy

HACSA will accept requests for an informal settlement of a grievance either orally or in writing, to the HACSA office within 5 working days of the HACSA nonpayment of rent notice, 5 working days for lease termination notice, and 14 calendar days for any other grievable event.

Within 14 calendar days of receipt of the request HACSA will arrange a meeting with the tenant at a mutually agreeable time and confirm such meeting in writing to the tenant.

If a tenant fails to attend the scheduled meeting without prior notice, HACSA will reschedule the appointment only if the tenant can show good cause for failing to appear, or if it is needed as a reasonable accommodation for a person with disabilities.

Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family.

HUD regulations require that a summary of such discussion will be prepared within a reasonable time and one copy will be given to the tenant and one retained in the PHA's tenant file.

The summary must specify the names of the participants, dates of meeting, the nature of the proposed disposition of the complaint and the specific reasons therefore, and will specify the procedures by which a hearing may be obtained if the complainant is not satisfied.

##### HACSA Policy

HACSA will prepare a summary of the informal settlement discussion within 5 business days; one copy to be given to the tenant and one copy to be retained in HACSA's tenant file. The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. An extended time period to provide the family a written notice of the final decision may be required to gather additional information or to allow time for the applicant to submit additional information.

If the family misses an appointment or deadline ordered by the hearing officer, the action of the PHA will take effect and another hearing will not be granted.

For PHAs who have the option to establish an expedited grievance procedure, and who exercise this option, the informal settlement of grievances is not applicable to those grievances for which the expedited grievance procedure applies.

## **14-III.E. PROCEDURES TO OBTAIN A FORMAL HEARING**

### **Requests for Hearing and Failure to Request**

#### HACSA Policy

If the resident does not agree with the final result of the informal settlement discussion, the resident has the right to request a formal hearing. The resident must submit a request, either orally or in writing, for a formal grievance hearing to HACSA within 5 business days of the tenant's receipt of the summary of the informal settlement discussion.

If the complainant does not request a formal hearing, HACSA's disposition of the grievance under the informal settlement discussion process will become final. However, failure to request a formal hearing does not constitute a waiver by the complainant of the right to contest HACSA's action in disposing of the complaint in an appropriate judicial proceeding.

### **Scheduling of Hearings [24 CFR 966.56(a)]**

If the complainant has complied with all requirements for requesting a formal hearing as described above, a hearing must be scheduled by the hearing officer/panel promptly for a time and place reasonably convenient to both the complainant and the PHA. A written notification specifying the time, place and the procedures governing the hearing must be delivered to the complainant and the appropriate PHA official.

#### HACSA Policy

Within 14 calendar days of receiving a written request for a formal hearing, the hearing officer will schedule and send written notice of the hearing to both the complainant and HACSA.

The PHA may wish to permit the tenant to request to reschedule a hearing for good cause.

#### HACSA Policy

The tenant may request to reschedule a formal hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family. Requests to reschedule a formal hearing must be made orally or in writing prior to the hearing date. At its discretion, HACSA may request documentation of the "good cause" prior to rescheduling the formal hearing.

### **Expedited Grievance Procedure [24 CFR 966.52(a)]**

The PHA may establish an expedited grievance procedure for any grievance concerning a termination of tenancy or eviction that involves:

- Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees of the PHA, or
- Any drug-related criminal activity on or near such premises

In such expedited grievances, the informal settlement discussion of grievances as discussed in 14-III.D is not applicable.

The PHA may adopt special procedures concerning expedited hearings, including provisions for expedited notice or scheduling, or provisions for expedited decision on the grievance.

### HACSA Policy

HACSA is located in a HUD-declared due process state. Therefore, HACSA will not establish expedited grievance procedures.

**14-III.F. SELECTION OF FORMAL HEARING OFFICER/PANEL [24 CFR 966.53(e)]**

The formal hearing must be conducted by an impartial person or persons appointed by the PHA, other than the person who made or approved the PHA action under review, or a subordinate of such person. The PHA must describe their policies for selection of a hearing officer in their lease.

HACSA Policy

HACSA formal grievance hearings will be conducted by a single hearing officer and not a panel.

PHAs must describe their policies for selection of a hearing officer in their lease forms. Changes to the public housing lease are subject to a 30-day comment period (24 CFR 966.4)

## **14-III.G. PROCEDURES GOVERNING THE FORMAL HEARING [24 CFR 966.56]**

### **Rights of Complainant [24 CFR 966.56(b)]**

The complainant will be afforded a fair hearing. This includes:

- The opportunity to examine before the formal grievance hearing any PHA documents, including records and regulations that are directly relevant to the hearing. The tenant must be allowed to copy any such document at the tenant's expense. If the PHA does not make the document available for examination upon request by the complainant, the PHA may not rely on such document at the grievance hearing.

#### HACSA Policy

The tenant will be allowed to copy any documents related to the hearing (with the exception of criminal history documents, FBI reports, LEDS reports, law enforcement print-outs. A synopsis of this type of information can be made available) at a cost \$5.00 initial charge and \$.05 per page.

- The right to be represented by counsel or other person chosen to represent the tenant and to have such person make statements on the tenant's behalf.

#### HACSA Policy

Hearings may be attended by the following applicable persons:

A HACSA representative(s) and any witnesses for HACSA

The tenant and any witnesses for the tenant

The tenant's counsel or other representative

Any other person approved by HACSA as a reasonable accommodation for a person with a disability

- The right to a private hearing unless the complainant requests a public hearing.
- The right to present evidence and arguments in support of the tenant's complaint, to controvert evidence relied on by the PHA or project management, and to confront and cross-examine all witnesses upon whose testimony or information the PHA or project management relies.
- A decision based solely and exclusively upon the facts presented at the hearing.

### **Failure to Appear [24 CFR 966.56(c)]**

If the complainant or the PHA fails to appear at a scheduled hearing, the hearing officer/panel may make a determination to postpone the hearing for no more than five business days or may make a determination that the party has waived his/her right to a hearing. Both the complainant and the PHA must be notified of the determination by the hearing officer/panel: Provided, That a determination that the complainant has waived his/her right to a hearing will not constitute a waiver of any right the complainant may have to contest the PHA's disposition of the grievance in an appropriate judicial proceeding.

There may be times when a complainant does not appear due to unforeseen circumstances which are out of their control and are no fault of their own.

#### HACSA Policy

If the tenant does not appear at the scheduled time of the hearing, the hearing officer will wait up to 15 minutes. If the tenant appears within 15 minutes of the scheduled time, the hearing will be held. If the tenant does not arrive within 15 minutes of the scheduled time, they will be considered to have failed to appear.

If the tenant fails to appear and was unable to reschedule the hearing in advance, the tenant must contact HACSA within 24 hours of the scheduled hearing date, excluding weekends and holidays. The hearing officer will reschedule the hearing only if the tenant can show good cause for the failure to appear, or it is needed as a reasonable accommodation for a person with disabilities.

“Good cause” is defined as an unavoidable conflict which seriously affects the health, safety, or welfare of the family.

## **General Procedures [24 CFR 966.56(d), (e)]**

At the formal hearing, the complainant must first make a showing of an entitlement to the relief sought and thereafter the PHA must sustain the burden of justifying the PHA action or failure to act against which the complaint is directed [24 CFR 966.56(d)].

The formal hearing is conducted informally by the hearing officer/panel. The PHA and the tenant must be given the opportunity to present oral or documentary evidence pertinent to the facts and issues raised by the complaint, and to question any witnesses.

### HACSA Policy

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

**Oral evidence:** the testimony of witnesses

**Documentary evidence:** a writing which is relevant to the case, for example, a letter written to HACSA. Writings include all forms of recorded communication or representation, including letters, emails, words, pictures, sounds, videotapes or symbols or combinations thereof (with the exception of criminal history documents, FBI reports, LEDS reports, and law enforcement print-outs. A synopsis of this type of information can be made available).

**Demonstrative evidence:** Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.

**Real evidence:** A tangible item relating directly to the case.

*Hearsay Evidence* is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter. Even though evidence, including hearsay, is generally admissible, hearsay evidence alone cannot be used as the sole basis for the hearing officer's decision. HACSA reserves the right to protect the identity of the complainant until/if the issue were to go to court.

If the PHA fails to comply with the discovery requirements (providing the tenant with the opportunity to examine PHA documents prior to the grievance hearing), the hearing officer will refuse to admit such evidence.

Other than the failure of the PHA to comply with discovery requirements, the hearing officer has the authority to overrule any objections to evidence.

The complainant or the PHA may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing. Any interested party may purchase a copy of such transcript [24 CFR 966.56(e)].

#### HACSA Policy

If the complainant would like HACSA to record the proceedings by audiotape, the request must be made to HACSA by 12:00 p.m. on the business day prior to the hearing. HACSA will record the proceedings.

HACSA will consider that an audio tape recording of the proceedings is a transcript.

#### **Accommodations of Persons with Disabilities [24 CFR 966.56(f)]**

The PHA must provide reasonable accommodation for persons with disabilities to participate in the hearing. Reasonable accommodation may include qualified sign language interpreters, readers, accessible locations, or attendants.

If the tenant is visually impaired, any notice to the tenant which is required in the grievance process must be in an accessible format.

See Chapter 2 for a thorough discussion of the PHA's responsibilities pertaining to reasonable accommodation.

#### **Limited English Proficiency (24 CFR 966.56(g))**

The PHA must comply with HUD's LEP Final Rule in providing language services throughout the grievance process.

#### **14-III.H. DECISION OF THE FORMAL HEARING OFFICER/PANEL [24 CFR 966.57]**

The hearing officer/panel must issue a written decision, stating the reasons for the decision, within a reasonable time after the hearing. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing. A copy of the decision must be sent to the complainant and the PHA. The PHA must retain a copy of the decision in the tenant's folder. A log of all hearing officer decisions must also be maintained by the PHA and made available for inspection by a prospective complainant, his/her representative, or the hearing officer/panel [24 CFR 966.57(a)].

##### HACSA Policy

In rendering a decision, the hearing officer will consider the following matters:

**PHA Notice to the Family:** The hearing officer will determine if the reasons for the PHA's decision are factually stated in the notice.

**Discovery:** The hearing officer will determine if the family was given the opportunity to examine any relevant documents in accordance with HACSA Policy.

**PHA Evidence to Support the PHA Decision:** The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support the PHA's conclusion.

**Validity of Grounds for Termination of Tenancy (when applicable):** The hearing officer will determine if the termination of tenancy is for one of the grounds specified in the HUD regulations and PHA policies. If the grounds for termination are not specified in the regulations or in compliance with PHA policies, then the decision of the PHA will be overturned.

The hearing officer will issue a written decision to the family and the PHA no later than 14 calendar days after the hearing. The report will contain the following information:

##### **Hearing information:**

Name of the complainant

Date, time and place of the hearing

Name of the hearing officer

Name of the PHA representative(s)

Name of family representative (if any)

Names of witnesses (if any)

**Background:** A brief, impartial statement of the reason for the hearing and the date(s) on which the informal settlement was held, who held it, and a summary of the results of the informal settlement. Also includes the date the complainant requested the grievance hearing.

**Summary of the Evidence:** The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of his/her testimony and that are admitted into evidence.

**Findings of Fact:** The hearing officer will include all findings of fact, based on a preponderance of the evidence. *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

**Conclusions:** The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold the PHA's decision.

**Order:** The hearing report will include a statement of whether the PHA's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the PHA to change the decision in accordance with the hearing officer's determination. In the case of termination of tenancy, the hearing officer will instruct the PHA to restore the family's status.

## **Procedures for Further Hearing**

### HACSA Policy

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of the PHA will take effect and another hearing will not be granted.

### **Final Decision [24 CFR 966.57(b)]**

The decision of the hearing officer/panel is binding on the PHA which must take the action, or refrain from taking the action cited in the decision unless the PHA Board of Commissioners determines within a reasonable time, and notifies the complainant that:

- The grievance does not concern PHA action or failure to act in accordance with or involving the complainant's lease on PHA policies which adversely affect the complainant's rights, duties, welfare, or status; or
- The decision of the hearing officer/panel is contrary to Federal, state, or local law, HUD regulations or requirements of the annual contributions contract between HUD and the PHA

#### HACSA Policy

When the PHA considers the decision of the hearing officer to be invalid due to the reasons stated above, it will present the matter to the PHA Board of Commissioners within 14 calendar days of the date of the hearing officer's decision. The Board has 30 calendar days to consider the decision. If the Board decides to reverse the hearing officer's decision, it must notify the complainant within 14 calendar days of this decision.

A decision by the hearing officer/panel, or Board of Commissioners in favor of the PHA or which denies the relief requested by the complainant in whole or in part must not constitute a waiver of any rights, nor effect in any manner whatever, any rights the complainant may have to a subsequent trial or judicial review in court [24 CFR 966.57(c)].

## Chapter 15

### PROGRAM INTEGRITY

#### INTRODUCTION

The PHA is committed to ensuring that funds made available to the PHA are spent in accordance with HUD requirements.

This chapter covers HUD and PHA policies designed to prevent, detect, investigate and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

Part I: Preventing, Detecting, and Investigating Errors and Program Abuse. This part presents PHA policies related to preventing, detecting, and investigating errors and program abuse.

Part II: Corrective Measures and Penalties. This part describes the corrective measures the PHA must and may take when errors or program abuses are found.



## **PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE**

### **15-I.A. PREVENTING ERRORS AND PROGRAM ABUSE**

HUD created the Enterprise Income Verification (EIV) system to provide PHAs with a powerful tool for preventing errors and program abuse. PHAs are required to use the EIV system in its entirety in accordance with HUD administrative guidance [24 CFR 5.233]. PHAs are further required to:

- Provide applicants and residents with form HUD-52675, “Debts Owed to PHAs and Terminations”
- Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file

#### HACSA Policy

HACSA anticipates that the vast majority of families and HACSA employees intend to and will comply with program requirements and make reasonable efforts to avoid errors.

To ensure that HACSA’s program is administered effectively and according to the highest ethical and legal standards, HACSA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

HACSA will provide each applicant and resident with a copy of “Is Fraud Worth It?” (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse.

HACSA will provide each applicant and resident with a copy of “What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19. In addition, the PHA will require the head of each household to acknowledge receipt of the guide by signing a copy for retention in the family file.

HACSA may require mandatory orientation sessions or intake appointments for all prospective residents either prior to or upon execution of the lease. If required, HACSA will discuss program compliance and integrity issues. At the conclusion of intake or orientation sessions, the family representative will be required to sign a program briefing certificate to confirm that all rules and pertinent regulations were explained to them.

HACSA will routinely provide resident counseling in order to clarify any confusion pertaining to program rules and requirements.

HACSA will place a warning statement about the penalties for fraud (as described in 18 U.S.C. 1001 and 1010) on key HACSA forms and form letters that request information from a family member.

HACSA will provide each HACSA employee with the necessary training on program rules and the organization’s standards of conduct and ethics.

For purposes of this chapter the term *error* refers to an unintentional error or omission. *Program abuse or fraud* refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

## **15-I.B. DETECTING ERRORS AND PROGRAM ABUSE**

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

### **Quality Control and Analysis of Data**

#### HACSA Policy

HACSA will employ a variety of methods to detect errors and program abuse, including:

HACSA routinely will use EIV and other non-HUD sources of up-front income verification. This includes the Work Number and any other private or public databases available to HACSA.

At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.

HACSA will compare family-reported income and expenditures to detect possible unreported income.

### **Independent Audits and HUD Monitoring**

OMB Circular A-133 requires all PHAs that expend \$500,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of PHA activities and notifies the PHA of errors and potential cases of program abuse.

#### HACSA Policy

HACSA will use the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the HACSA's error detection and abuse prevention efforts.

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

#### HACSA Policy

HACSA will encourage staff, residents, and the public to report possible program abuse.

## **15-I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE**

### **When the PHA Will Investigate**

#### HACSA Policy

HACSA will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for HACSA to investigate, the allegation must contain independently-verifiable information, such as the name of an employer or the name of an unauthorized household member.

HACSA will investigate when inconsistent or contradictory information is detected through file reviews and the verification process.

### **Consent to Release of Information [24 CFR 960.259]**

The PHA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the PHA will require families to sign consent forms for the release of additional information.

### **Analysis and Findings**

#### HACSA Policy

HACSA will base its evaluation on a preponderance of the evidence collected during its investigation.

*Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

For each investigation the PHACSA will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed the PHA, and (3) what corrective measures or penalties will be assessed.

## **Consideration of Remedies**

All errors and instances of program abuse must be corrected prospectively. Whether the PHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

### HACSA Policy

In the case of family-caused errors or program abuse, HACSA will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

## **Notice and Appeals**

### HACSA Policy

HACSA will inform the relevant party in writing of its findings and remedies within 14 calendar days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which the PHA determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through an informal hearing or grievance hearing (see Chapter 14).

## **PART II: CORRECTIVE MEASURES AND PENALTIES**

### **15-II.A. UNDER- OR OVERPAYMENT**

An under- or overpayment includes an incorrect tenant rent payment by the family, or an incorrect utility reimbursement to a family.

#### **Corrections**

Whether the incorrect rental determination is an overpayment or underpayment, the PHA must promptly correct the tenant rent and any utility reimbursement prospectively.

#### HACSA Policy

Increases in the tenant rent will be implemented on the first of the month following a written 30 day notice.

Any decreases in tenant rent will become effective the first of the month following the discovery of the error.

#### **Reimbursement**

Whether the family is required to reimburse the PHA or the PHA is required to reimburse the family depends upon which party is responsible for the incorrect payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the three sections that follow.

## **15-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE**

General administrative requirements for participating in the program are discussed throughout the ACOP. This section deals specifically with errors and program abuse by family members.

An incorrect rent determination caused by a family generally would be the result of incorrect reporting of family composition, income, assets, or expenses, but also would include instances in which the family knowingly allows the PHA to use incorrect information provided by a third party.

### **Family Reimbursement to PHA**

#### HACSA Policy

In the case of family-caused errors or program abuse, the family will be required to repay any amounts of rent underpaid, including rent for previous months of tenancy. HACSA may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the amount owed, or if HACSA determines that that program abuse was involved, HACSA will terminate the family's lease in accordance with the policies in Chapter 13.

### **PHA Reimbursement to Family**

#### HACSA Policy

HACSA will not reimburse the family for any overpayment of rent when the overpayment clearly is caused by the family.

## **Prohibited Actions**

An applicant or resident in the public housing program must not knowingly:

- Make a false statement to the PHA [Title 18 U.S.C. Section 1001].
- Provide incomplete or false information to the PHA [24 CFR 960.259(a)(4)].
- Commit fraud, or make false statements in connection with an application for assistance or with reexamination of income [24 CFR 966.4(l)(2)(iii)(C)].

### HACSA Policy

Any of the following will be considered evidence of family program abuse:

Offering bribes or illegal gratuities to the HACSA Board of Commissioners, employees, contractors, or other HACSA representatives

Offering payments or other incentives to a third party as an inducement for the third party to make false or misleading statements to HACSA on the family's behalf

Use of a false name or the use of falsified, forged, or altered documents

Intentional misreporting of family information or circumstances (e.g., misreporting of income or family composition)

Omitted facts that were obviously known by a family member (e.g., not reporting employment income)

Admission of program abuse by an adult family member

HACSA may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

## **Penalties for Program Abuse**

In the case of program abuse caused by a family the PHA may, at its discretion, impose any of the following remedies.

- The PHA may require the family to repay any amounts owed to the program (see 15-II.B., Family Reimbursement to PHA).
- The PHA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in Chapter 3 (for applicants) and Chapter 13 (for residents).
- The PHA may deny admission or terminate the family's lease following the policies set forth in Chapter 3 and Chapter 13 respectively.
- The PHA may refer the family for state or federal criminal prosecution as described in section 15-II.D.

## **15-II.C. PHA-CAUSED ERRORS OR PROGRAM ABUSE**

The responsibilities and expectations of PHA staff with respect to normal program administration are discussed throughout the ACOP. This section specifically addresses actions of a PHA staff member that are considered errors or program abuse related to the public housing program. Additional standards of conduct may be provided in the PHA personnel policy.

PHA-caused incorrect rental determinations include (1) failing to correctly apply public housing rules regarding family composition, income, assets, and expenses, and (2) errors in calculation.

### **Repayment to the PHA**

The family is not required to repay an underpayment of rent if the error or program abuse is caused by PHA staff.

### **PHA Reimbursement to Family**

#### HACSA Policy

The PHA will reimburse a family for any family overpayment of rent, regardless of whether the overpayment was the result of staff-caused error or staff program abuse.

### **Prohibited Activities**

#### HACSA Policy

Any of the following will be considered evidence of program abuse by PHA staff:

- Failing to comply with any public housing program requirements for personal gain

- Failing to comply with any public housing program requirements as a result of a conflict of interest relationship with any applicant or resident

- Seeking or accepting anything of material value from applicants, residents, vendors, contractors, or other persons who provide services or materials to the PHA

- Disclosing confidential or proprietary information to outside parties

- Gaining profit as a result of insider knowledge of PHA activities, policies, or practices

- Misappropriating or misusing public housing funds

- Destroying, concealing, removing, or inappropriately using any records related to the public housing program

- Committing any other corrupt or criminal act in connection with any federal housing program

## **15-II.D. CRIMINAL PROSECUTION**

### HACSA Policy

When HACSA determines that program abuse by a family or HACSA staff member has occurred and the amount of underpaid rent meets or exceeds the threshold for prosecution under local or state law, the PHA may refer the matter to the appropriate entity for prosecution. When the amount of underpaid rent meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the public housing program will be referred to the appropriate local, state, or federal entity.

## **15-II.E. FRAUD AND PROGRAM ABUSE RECOVERIES**

PHAs who enter into a repayment agreement with a family to collect rent owed, initiate litigation against the family to recover rent owed, or begin eviction proceedings against a family may retain 100 percent of program funds that the PHA recovers [Notice PIH 2007-27 (HA)].

If the PHA does none of the above, all amounts that constitute an underpayment of rent must be returned to HUD.

The family must be afforded the opportunity for a hearing through the PHA's grievance process.

## Chapter 16

### PROGRAM ADMINISTRATION

#### INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this ACOP. The policies are discussed in seven parts as described below:

Part I: Setting Utility Allowances. This part describes how utility allowances are established and revised. Also discussed are the requirements to establish surcharges for excess consumption of PHA-furnished utilities.

Part II: Establishing Flat Rents and Public Housing Maximum Rents. This part describes the requirements and policies related to establishing and updating flat rent amounts and public housing maximum rents.

Part III: Repayment of Family Debts. This part contains policies for recovery of monies that have been underpaid by families, and describes the circumstances under which the PHA will offer repayment agreements to families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part IV: Public Housing Assessment System (PHAS). This part describes the PHAS indicators, how PHAs are scored under PHAS, and how those scores affect a PHA.

Part V: Record Keeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies the PHA will follow.

Part VI: Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level. This part describes the PHA's reporting responsibilities related to children with environmental intervention blood lead levels that are living in public housing.

Part VII: Violence against Women Act (VAWA): Notification, Documentation, and Confidentiality. This part contains key terms used in VAWA and describes requirements related to notifying families about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault, and stalking; and maintaining the confidentiality of information obtained from victims.



## **PART I: SETTING UTILITY ALLOWANCES [24 CFR 965 Subpart E]**

### **16-I.A. OVERVIEW**

PHAs must establish allowances for PHA-furnished utilities for all check metered utilities and for resident-purchased utilities for all utilities purchased directly by residents from a utility supplier [24 CFR 965.502(a)].

PHAs must also establish surcharges for excess consumption of PHA-furnished utilities [24 CFR 965.506].

The PHA must maintain a record that documents the basis on which utility allowances and scheduled surcharges are established and revised, and the record must be made available for inspection by residents [24 CFR 965.502(b)].

### **16-I.B UTILITY ALLOWANCES**

The PHA must establish separate allowances for each utility and for each category of dwelling units the PHA determines to be reasonably comparable as to factors affecting utility usage [24 CFR 965.503].

The objective of a PHA in establishing utility allowances for each dwelling unit category and unit size is to approximate a reasonable consumption of utilities by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment [24 CFR 965.505].

Utilities include gas, electricity, fuel for heating, water, sewerage, and solid waste disposal for a dwelling unit. In addition, if the PHA does not furnish a range and refrigerator, the family must be granted a utility allowance for the range and refrigerator they provide [24 CFR 965.505].

Costs for telephone, cable/satellite TV, and internet services are not considered utilities [PH Occ GB, p. 138].

Utility allowance amounts will vary by the rates in effect, size and type of unit, climatic location and sitting of the unit, type of construction, energy efficiency of the dwelling unit, and other factors related to the physical condition of the unit. Utility allowance amounts will also vary by residential demographic characteristics affecting home energy usage [PH Occ GB, p. 138].

Chapter 14 of the *PH Occupancy Guidebook* provides detailed guidance to the PHA about establishing utility allowances.

## **Air-Conditioning**

“If a PHA installs air conditioning, it shall provide, to the maximum extent economically feasible, systems that give residents the option of choosing to use air conditioning in their units. The design of systems that offer each resident the option to choose air conditioning shall include retail meters or check meters, and residents shall pay for the energy used in its operation. For systems that offer residents the option to choose air conditioning but cannot be check metered, residents are to be surcharged in accordance with 965.506. If an air conditioning system does not provide for resident option, residents are not to be charged, and these systems should be avoided whenever possible.” [24 CFR 965.505(e)]

### PHA Policy

The PHA has installed ductless heat pumps in some housing units.

## **Utility Allowance Revisions [24 CFR 965.507]**

The PHA must review at least annually the basis on which utility allowances have been established and must revise the allowances if necessary in order to adhere to the standards for establishing utility allowances that are contained in 24 CFR 965.505.

The PHA may revise its allowances for resident-purchased utilities between annual reviews if there is a rate change, and is required to do so if such change, by itself or together with prior rate changes not adjusted for, results in a change of 10 percent or more from the rate on which the allowance was based.

Adjustments to resident payments as a result of such changes must be retroactive to the first day of the month following the month in which the last rate change taken into account became effective.

### HACSA Policy

Between annual reviews of utility allowances, the PHA will only revise its utility allowances between annual reviews, when a Resident requests an interim change or due to a rate change, required to by the regulation.

### **16-I.C. SURCHARGES FOR PHA-FURNISHED UTILITIES [24 CFR 965.506]**

For dwelling units subject to allowances for PHA-furnished utilities where check meters have been installed, the PHA must establish surcharges for utility consumption in excess of the allowances. Surcharges may be computed on a straight per unit of purchase basis or for stated blocks of excess consumption, and must be based on the PHA's average utility rate. The basis for calculating the surcharges must be described in the PHA's schedule of allowances. Changes in the amount of surcharges based directly on changes in the PHA's average utility rate are not subject to the advance notice requirements discussed under 16-I.D.

For dwelling units served by PHA-furnished utilities where check meters have not been installed, the PHA must establish schedules of surcharges indicating additional dollar amounts residents will be required to pay by reason of estimated utility consumption attributable to resident-owned major appliances or to optional functions of PHA-furnished equipment. The surcharge schedule must state the resident-owned equipment (or functions of PHA-furnished equipment) for which surcharges will be made and the amounts of such charges. Surcharges must be based on the cost to the PHA of the utility consumption estimated to be attributable to reasonable usage of such equipment.

#### HACSA Policy

In some complexes, HACSA furnishes the utilities. Each lease indicates if HACSA or the Resident is responsible for the payment of utilities.

### **16-I.D. NOTICE REQUIREMENTS [965.502]**

The PHA must give notice to all residents of proposed allowances and scheduled surcharges, and revisions thereof. The notice must be given in the manner provided in the lease and must:

- Be provided at least 60 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.
- Describe the basis for determination of the allowances, scheduled surcharges, or revisions, including a statement of the specific items of equipment and function whose utility consumption requirements were included in determining the amounts of the allowances and schedule of surcharges.
- Notify residents of the place where the PHA's documentation on which allowances and surcharges are based is available for inspection.
- Provide all residents an opportunity to submit written comments during a period expiring not less than 30 days before the proposed effective date of the allowances, scheduled surcharges, or revisions.

#### **16-I.E. REASONABLE ACCOMMODATION [24 CFR 965.508]**

On request from a family that includes a disabled or elderly person, the PHA must approve a utility allowance that is higher than the applicable amount for the dwelling unit if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family [PH Occ GB, p. 172].

Likewise, residents with disabilities may not be charged for the use of certain resident-supplied appliances if there is a verified need for special equipment because of the disability [PH Occ GB, p. 172].

See Chapter 2 for policies regarding the request and approval of reasonable accommodations.

## **PART II: ESTABLISHING FLAT RENTS AND PUBLIC HOUSING MAXIMUM RENTS**

### **16-II.A. OVERVIEW**

Flat rents are designed to encourage self-sufficiency and to avoid creating disincentives for continued residency by families who are attempting to become economically self-sufficient.

Public housing maximum rents are needed to prorate assistance for a mixed family. A mixed family is one whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigrations status [24 CFR 5.504].

This part discusses how the PHA establishes and updates flat rents and public housing maximum rents. Policies related to the use of flat rents, family choice of rent, flat rent hardships, and public housing maximum rents are discussed in Chapter 6.

### **16-II.B. FLAT RENTS [24 CFR 960.253(b) and Notice PIH 2015-13]**

#### **Establishing Flat Rents**

The 2015 Appropriations Act requires that flat rents must be set at no less than 80 percent of the applicable fair market rent (FMR). Alternatively, the PHA may set flat rents at no less than 80 percent of the applicable small area FMR (SAFMR) for metropolitan areas, or 80 percent of the applicable unadjusted rents for nonmetropolitan areas.

For areas where HUD has not determined a SAFMR or an unadjusted rent, PHAs must set flat rents at no less than 80 percent of the FMR or apply for an exception flat rent.

The 2015 Appropriations Act permits PHAs to request an exception flat rent that is lower than either 80 percent of the FMR or SAFMR/unadjusted rent if the PHA can demonstrate that these FMRs do not reflect the market value of a particular property or unit.

In order to demonstrate the need for an exception flat rent, PHAs are required to submit a market analysis methodology that demonstrates the value of the unit. The PHA must use HUD's rent reasonableness methodology to determine flat rents. In determining flat rents, PHAs must consider the following:

- Location
- Quality
- Unit size
- Unit type
- Age of property
- Amenities at the property and in immediate neighborhood
- Housing services provided
- Maintenance provided by the PHA
- Utilities provided by the PHA

PHAs must receive written HUD approval before implementing exception flat rents. PHAs that use exception flat rents must conduct a new market analysis, and obtain HUD approval, annually.

PHAs are now required to apply a utility allowance to flat rents. Flat rents set at 80 percent of the FMR must be reduced by the amount of the unit's utility allowance, if any.

## **Review of Flat Rents**

No later than 90 days after HUD publishes new annual FMRs/SAFMRs/unadjusted rent, PHAs must revise flat rents as necessary based changes to the FMR/SAFMR/unadjusted rent. The PHA must offer changes to the flat rent to all new admissions and to existing families at the next annual rent option.

If the FMR falls from year to year, the PHA may, but is not required to, lower the flat rent to 80 percent of the current FMR/SAFMR/unadjusted rent.

### HACSA Policy

If the FMR rent is lower than the previous year, HACSA will not reduce flat rents to 80 percent of the current FMR/SAFMR.

## **Posting of Flat Rents**

### HACSA Policy

HACSA will publicly post the schedule of flat rents in a conspicuous manner in the HACSA, 300 W Fairview Drive Office.

## **Documentation of Flat Rents [24 CFR 960.253(b) (5)]**

The PHA must maintain records that document the method used to determine flat rents, and that show how flat rents were determined by the PHA in accordance with this method.

## **16-II.C. PUBLIC HOUSING MAXIMUM RENTS**

### **Establishing Public Housing Maximum Rents**

PHAs are prohibited from making financial assistance available to persons who are not citizens or nationals of the United States, and to those who do not have eligible immigration status [24 CFR 5.500]. Therefore, in order to assist mixed families, PHAs must prorate assistance. Public housing maximum rents are needed in order to calculate the tenant rent for a mixed family.

### **Review of Public Housing Maximum Rents**

#### HACSA Policy

The maximum rent will be based on the flat rent for the unit. HACSA will revise the maximum rent as flat rents are revised.

### **Posting of Public Housing Maximum Rents**

#### HACSA Policy

HACSA will publicly post the schedule of public housing maximum rents in a conspicuous manner in HACSA's, 300 W Fairview Office.

### **Documentation of Public Housing Maximum Rents**

#### HACSA Policy

HACSA bases the public housing maximum rent on the flat rent for the unit and will retain documentation of how flat rents were determined.



## **PART III: FAMILY DEBTS TO THE PHA**

### **16-III.A. OVERVIEW**

This part describes the PHA's policies for recovery of monies owed to the PHA by families.

#### HACSA Policy

When an action or inaction of a resident family results in the underpayment of rent or other amounts, the PHA holds the family liable to return any underpayments to the PHA.

The PHA will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

When a family refuses to repay monies owed to the PHA, the PHA will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil law suit
- State income tax set-off program

## **16-III.B. REPAYMENT POLICY**

### **Family Debts to the PHA**

#### HACSA Policy

Any amount owed to the PHA by a public housing family must be repaid. If the family is unable to repay the debt within 30 days, HACSA will offer to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, HACSA will terminate the family's tenancy in accordance with the policies in Chapter 13. HACSA will pursue other modes of collecting the unpaid amounts.

### **General Repayment Agreement Guidelines**

#### ***Down Payment Requirement***

#### HACSA Policy

HACSA does not require a down-payment.

#### ***Payment Thresholds***

Notice PIH 2010-19 recommends that the total amount that a family must pay each month—the family's monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family's monthly adjusted income, which is considered "affordable." Moreover, Notice PIH 2010-19 acknowledges that PHAs have the discretion to establish "thresholds and policies" for repayment agreements with families [24 CFR 982.552(c) (1) (vii)].

#### HACSA Policy

If a family is paying less than 40 percent of its monthly adjusted income (MAI) in rent, the minimum monthly payment amount will be the greater of the following two amounts:

The difference between 40 percent of the family's MAI and the TTP at the time the agreement is executed and \$25.

If a family can provide evidence satisfactory to HACSA that a monthly payment amount of \$25 would impose an undue hardship, HACSA, in its sole discretion, require a lower monthly payment amount.

If the family's income increases or decreases during the term of a repayment agreement, either HACSA or the family may request that the monthly payment amount be adjusted accordingly.

The family may agree to a payment that is in excess of 40% of its MAI or agree to single lump-sum payments.

### ***Execution of the Agreement***

#### HACSA Policy

Any repayment agreement between HACSA and a family must be signed and dated by a HACSA employee and by the head of household and all adults 18 years and older.

### ***Due Dates***

#### HACSA Policy

All payments shall be due and payable on the first (1st) day of each month, without demand or billing, and shall be delinquent after the seventh (7th) day of the month.

### ***Late or Missed Payments***

#### HACSA Policy

If a payment is not received by the end of the business on the date due, and prior approval for the missed payment has not been given by HACSA, HACSA will terminate tenancy in accordance with the policies in Chapter 13 and will continue to attempt to collect on the unpaid amounts.

### ***No Offer of Repayment Agreement***

#### HACSA Policy

HACSA will not enter into a repayment agreement with a family if there is already a repayment agreement in place. HACSA may at its sole discretion allow the resident to enter into a new repayment agreement for both the previously owed amounts and the new charges. HACSA will not allow a repayment agreement for current rent.

### **Repayment Agreements Involving Improper Payments**

Notice PIH 2010-19 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the public housing lease that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the PHA the monthly tenant rent
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of tenancy



## **PART IV: PUBLIC HOUSING ASSESSMENT SYSTEM (PHAS)**

### **16-IV.A. OVERVIEW**

The purpose of the Public Housing Assessment System (PHAS) is to improve the delivery of services in public housing and enhance trust in the public housing system among PHAs, public housing residents, HUD and the general public by providing a management tool for effectively and fairly measuring the performance of a public housing agency in essential housing operations.

### **16-IV.B. PHAS INDICATORS [24 CFR 902 Subparts A, B, C, D, and E]**

The table below lists each of the PHAS indicators, the points possible under each indicator, and a brief description of each indicator. A PHA's performance is based on a combination of all four indicators.

#### **Indicator 1: Physical condition of the PHA's projects**

##### **Maximum Score: 40**

- The objective of this indicator is to determine the level to which a PHA is maintaining its public housing in accordance with the standard of decent, safe, sanitary, and in good repair.
- To determine the physical condition of a PHA's projects, inspections are performed of the following five major areas of each public housing project: site, building exterior, building systems, dwelling units, and common areas. The inspections are performed by an independent inspector arranged by HUD, and include a statistically valid sample of the units in each project in the PHA's public housing portfolio.

#### **Indicator 2: Financial condition of the PHA's projects**

##### **Maximum Score: 25**

- The objective of this indicator is to measure the financial condition of the PHA's public housing projects for the purpose of evaluating whether the PHA has sufficient financial resources and is capable of managing those financial resources effectively to support the provision of housing that is decent, safe, sanitary, and in good repair.
- A PHA's financial condition is determined by measuring each public housing project's performance in each of the following subindicators: quick ratio, month's expendable net assets ratio, and debt service coverage ratio.

**Indicator 3: Management operations of the PHA's projects****Maximum Score: 25**

- The objective of this indicator is to measure certain key management operations and responsibilities of a PHA's projects for the purpose of assessing the PHA's management operations capabilities.
- Each project's management operations are assessed based on the following sub-indicators: occupancy, tenant accounts receivable, and accounts payable.
- An on-site management review may be conducted as a diagnostic and feedback tool for problem performance areas, and for compliance. Management reviews are not scored.

**Indicator 4: Capital Fund****Maximum Score: 10**

- The objective of this indicator is to measure how long it takes the PHA to obligate capital funds and to occupy units.
- The PHA's score for this indicator is measured at the PHA level and is based on the following subindicators: timeliness of fund obligation and occupancy rate.

#### **16-IV.C. PHAS SCORING [24 CFR 902 Subpart F]**

HUD's Real Estate Assessment Center (REAC) issues overall PHAS scores, which are based on the scores of the four PHAS indicators, and the subindicators under each indicator. The PHA's indicator scores are based on a weighted average of the PHA's public housing projects' scores. PHAS scores translate into a designation for each PHA as high performing, standard, substandard, or troubled.

A high performer is a PHA that achieves an overall PHAS score of 90 or greater, and achieves a score of at least 60 percent of the points available under the physical, financial, and management indicators and at least 50 percent of the points available under the capital fund indicator.

A standard performer is a PHA that has an overall PHAS score between 60 and 89, and achieves a score of at least 60 percent of the points available under the physical, financial, and management indicators and at least 50 percent of the points available under the capital fund indicator.

A substandard performer is a PHA that has an overall PHAS score of at least 60 percent and achieves a score of less than 60 percent under one or more of the physical, financial, or management indicators.

A troubled performer is a PHA that achieves an overall PHAS score of less than 60, or achieves less than 50 percent of the total points available under the capital fund indicator.

These designations can affect a PHA in several ways:

- High-performing PHAs are eligible for incentives including relief from specific HUD requirements and bonus points in funding competitions [24 CFR 902.71].
- PHAs that are standard performers may be required to submit and operate under a corrective action plan to eliminate deficiencies in the PHA's performance [24 CFR 902.73(a) (1)].
- PHAs that are substandard performers will be required to submit and operate under a corrective action plan to eliminate deficiencies in the PHA's performance [24 CFR 902.73(a) (2)].
- PHAs with an overall rating of "troubled" are subject to additional HUD oversight, and are required to enter into a memorandum of agreement (MOA) with HUD to improve PHA performance [24 CFR 902.75].
- PHAs that fail to execute or meet MOA requirements may be referred to the Assistant Secretary to determine remedial actions, including, but not limited to, remedies available for substantial default [24 CFR 902.75(g) and 24 CFR Part 907].

PHAs must post a notice of its final PHAS score and status in appropriate conspicuous and accessible locations in its offices within two weeks of receipt of its final score and designation [24 CFR 902.64(b)(2)].



## **PART V: RECORD KEEPING**

### **16-V.A. OVERVIEW**

The PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, the PHA must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights, and that comply with VAWA 2013 confidentiality requirements.

### **16-V.B. RECORD RETENTION**

The PHA must keep the last three years of the Form HUD-50058 and supporting documentation during the term of each assisted lease, and for a period of at least three years from the end of participation (EOP) date [24 CFR 908.101].

Notice PIH 2014-20 requires the PHA to keep records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule.

#### HACSA Policy

During the term of each public housing tenancy, and for at least three years thereafter, the PHA will keep all documents related to a family's eligibility, tenancy, and termination.

In addition, the PHA will keep the following records for at least three years:

- An application from each ineligible family and notice that the applicant is not eligible

- Lead-based paint records as required by 24 CFR 35, Subpart B

- Documentation supporting the establishment of flat rents and the public housing maximum rent

- Documentation supporting the establishment of utility allowances and surcharges

- Documentation related to PHAS

- Accounts and other records supporting PHA budget and financial statements for the program

- Complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule

- Other records as determined by the PHA or as required by HUD

All other documents will be maintained for at least three years or as required by HUD. If a hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see Section 14-II.A.

## **16-V.C. RECORDS MANAGEMENT**

PHAs must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

### HACSA Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized HACSA staff.

HACSA staff will adhere to HACSA confidentiality policies.

### **Privacy Act Requirements [24 CFR 5.212 and Form-9886]**

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

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or the PHA may release the information collected.

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

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV) system are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD-issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification (UIV) Data*.

### HACSA Policy

Prior to utilizing HUD's EIV system, HACSA will adopt and implement EIV security procedures required by HUD.

## **Criminal Records**

The PHA may only disclose the criminal conviction records which the PHA receives from a law enforcement agency to officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information [24 CFR 5.903(e)].

The PHA must establish and implement a system of records management that ensures that any criminal record received by the PHA from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

The PHA must establish and implement a system of records management that ensures that any sex offender registration information received by the PHA from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed must be retained [Notice PIH 2012-28]. This requirement does not apply to information that is public information, or is obtained by a PHA other than under 24 CFR 5.905.

## **Medical/Disability Records**

PHAs are not permitted to inquire about the nature or extent of a person's disability. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA should not place this information in the tenant file. The PHA should destroy the document.

## **Domestic Violence, Dating Violence, Sexual Assault, or Stalking Records**

For requirements and PHA policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see section 16-VII.E.



**PART VI: REPORTING REQUIREMENTS FOR CHILDREN WITH  
ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL**

**16-VI.A. REPORTING REQUIREMENTS [24 CFR 35.1130(e)]**

The PHA has certain responsibilities relative to children with environmental intervention blood lead levels that are living in public housing.

The PHA must report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional. The PHA must also report each known case of a child with an environmental intervention blood lead level to the HUD field office.

HACSA Policy

HACSA will provide the public health department written notice of the name and address of any child identified as having an environmental intervention blood lead level.

HACSA will provide written notice of each known case of a child with an environmental intervention blood level to the HUD field office within 5 business days of receiving the information.



## **PART VII: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, AND CONFIDENTIALITY**

### **16-VII.A. OVERVIEW**

The Violence against Women Reauthorization Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault, and stalking who are applying for or receiving assistance under the public housing program. If your state or local laws provide greater protection for such victims, those apply in conjunction with VAWA.

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and PHA policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and PHA policies are located in Chapter 3, “Eligibility” (sections 3-I.C and 3-III.F); Chapter 5, “Occupancy Standards and Unit Offers” (section 5-II.D); Chapter 8, “Leasing and Inspections” (section 8-I.B); Chapter 12, “Transfer Policy” (sections 12-III.C, 12-III.F, and 12-IV.D); and Chapter 13, “Lease Terminations” (sections 13-III.F and 13-IV.D).

### **16-VII.B. DEFINITIONS [24 CFR 5.2003, FR Notice 8/6/13]**

As used in VAWA:

- The term *affiliated individual* means, with respect to a person:
  - A spouse, parent, brother or sister, or child of that individual, or an individual to whom that person stands in the position or place of a parent; or
  - Any individual, tenant or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.
- The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members’ lease and occupancy rights are allowed to remain intact.
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - The length of the relationship
  - The type of relationship
  - The frequency of interaction between the persons involved in the relationship
- The term *domestic violence* includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person’s acts under the domestic or family violence laws of the jurisdiction.

- The term *sexual assault* means:
  - Any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks the capacity to consent
- The term *stalking* means:
  - To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

## **16-VII.C. NOTIFICATION [24 CFR 5.2005(a)]**

### **Notification to Public**

The PHA adopts the following policy to help ensure that all actual and potential beneficiaries of its public housing program are aware of their rights under VAWA.

#### HACSA Policy

HACSA will post the information regarding VAWA in its offices and on its Web site. This information is also provided to applicants during the intake process and will be available to anyone who requests it.

### **Notification to Applicants and Tenants [24 CFR 5.2005(a) (1)]**

PHAs are required to inform public housing applicants and tenants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

The PHA must distribute a notice of VAWA rights, along with the VAWA self-certification form (HUD-50066) at each of these three junctures.

#### HACSA Policy

The VAWA information provided to applicants and tenants will consist of the notice of VAWA rights in Exhibit 16-1 and a copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, and Stalking.

HACSA will offer all applicants information about VAWA during the intake process. HACSA will also include such information in all notices of denial of assistance (see section 3-III.F).

HACSA will provide all tenants with information about VAWA at the time of admission (see section 8-I.B) and at annual reexamination. The PHA will also include such information in all lease termination notices (see section 13-IV.D).

The PHA is not limited to providing VAWA information at the times specified in the above policy. If the PHA decides to provide VAWA information to a tenant following an incident of domestic violence, Notice PIH 2006-42 cautions against sending the information by mail, since the abuser may be monitoring the mail. The notice recommends that in such cases the PHA make alternative delivery arrangements that will not put the victim at risk.

### HACSA Policy

Whenever HACSA has reason to suspect that providing information about VAWA to a public housing tenant might place a victim of domestic violence at risk, it will attempt to deliver the information by hand directly to the victim.

## **16-VII.D. DOCUMENTATION [24 CFR 5.2007]**

A PHA presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, or stalking, or criminal activity related to any of these forms of abuse may—but is not required to—request that the individual making the claim document the abuse. Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. The PHA may extend this time period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy the PHA’s request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

- (1) A completed and signed HUD-approved certification form (HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim
- (2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record
- (3) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person’s belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The PHA may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under “Conflicting Documentation,” nor may it require certification in addition to third-party documentation [VAWA 2005 final rule].

### HACSA Policy

Any request for documentation of domestic violence, dating violence, sexual assault, or stalking will be in writing, will specify a deadline of 14 calendar days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

HACSA may, at its discretion, extend the deadline for an additional 14 calendar days. If an extension is granted, HACSA will provide the extension in writing.

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

In cases where the PHA receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the PHA may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). The PHA must honor any court orders issued to protect the victim or to address the distribution of property.

#### HACSA Policy

If presented with conflicting certification documents (two or more HUD-50066 forms) from members of the same household, HACSA will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(e) and by following any HUD guidance on how such determinations should be made.

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

The PHA has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b).

#### HACSA Policy

If HACSA may accept an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault, or stalking, HACSA will document acceptance of the statement or evidence in the individual's file.

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

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

## **16-VII.E. CONFIDENTIALITY [24 CFR 5.2007(b) (4)]**

All information provided to the PHA regarding domestic violence, dating violence, sexual assault, or stalking, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking, must be retained in confidence. This means that the PHA (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

### HACSA Policy

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, HACSA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

## **EXHIBIT 16-1: SAMPLE NOTICE TO PUBLIC HOUSING APPLICANTS AND TENANTS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)**

*This sample notice was adapted from a notice prepared by the National Housing Law Project.*

A federal law that went into effect in 2013 protects individuals who are victims of domestic violence, dating violence, sexual assault, or stalking. The name of the law is the Violence against Women Act, or “VAWA.” This notice explains your rights under VAWA.

### **Protections for Victims**

If you are eligible for public housing, the housing authority cannot refuse to admit you to the public housing program on the basis that you are a victim of domestic violence, dating violence, sexual assault, or stalking.

If you are the victim of domestic violence, dating violence, sexual assault, or stalking, the housing authority cannot evict you based on acts or threats of violence committed against you. Also, criminal acts directly related to the domestic violence, dating violence, sexual assault, or stalking that are caused by a member of your household or a guest can't be the reason for evicting you if you were the victim of the abuse.

### **Reasons You Can Be Evicted**

The housing authority can still evict you if the housing authority can show there is an *actual and imminent* (immediate) threat to other tenants or housing authority staff if you are not evicted. Also, the housing authority can evict you for serious or repeated lease violations that are not related to the domestic violence, dating violence, sexual assault, or stalking against you. The housing authority cannot hold you to a more demanding set of rules than it applies to tenants who are not victims.

### **Removing the Abuser from the Household**

The housing authority may split the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the public housing unit. If the housing authority chooses to remove the abuser, it may not take away the remaining tenants' rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, the housing authority must follow federal, state, and local eviction procedures.

## **Proving That You Are a Victim of Domestic Violence, Dating Violence, Sexual Assault, or Stalking**

The housing authority can ask you to prove or “certify” that you are a victim of domestic violence, dating violence, sexual assault, or stalking. It must give you at least 14 business days (i.e., Saturdays, Sundays, and holidays do not count) to provide this proof. The housing authority is free to extend the deadline. There are three ways you can prove that you are a victim:

- Complete the certification form given to you by the housing authority. The form will ask for your name, the name of your abuser, the abuser’s relationship to you, the date, time, and location of the incident of violence, and a description of the violence. You are only required to provide the name of the abuser if it is safe to provide and you know their name.
- Provide a statement from a victim service provider, attorney, mental health professional, or medical professional who has helped you address incidents of domestic violence, dating violence, sexual assault, or stalking. The professional must state that he or she believes that the incidents of abuse are real. Both you and the professional must sign the statement, and both of you must state that you are signing “under penalty of perjury.”
- Provide a police or court record, such as a protective order, or an administrative record.

Additionally, at its discretion, the housing authority can accept a statement or other evidence provided by the applicant or tenant.

If you fail to provide one of these documents within the required time, the housing authority may evict you.

### **Confidentiality**

The housing authority must keep confidential any information you provide about the violence against you, unless:

- You give written permission to the housing authority to release the information.
- The housing authority needs to use the information in an eviction proceeding, such as to evict your abuser.
- A law requires the housing authority to release the information.

If release of the information would put your safety at risk, you should inform the housing authority.

### **VAWA and Other Laws**

VAWA does not limit the housing authority’s duty to honor court orders about access to or control of a public housing unit. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking.

## **For Additional Information**

If you have any questions regarding VAWA, please contact \_\_\_\_\_ at \_\_\_\_\_.

For help and advice on escaping an abusive relationship, call the National Domestic Violence Hotline at 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY).

## **Definitions**

For purposes of determining whether a tenant may be covered by VAWA, the following list of definitions applies:

VAWA defines *domestic violence* to include felony or misdemeanor crimes of violence committed by any of the following:

- A current or former spouse or intimate partner of the victim
- A person with whom the victim shares a child in common
- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

VAWA defines *dating violence* as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

VAWA defines *sexual assault* as “any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent” (42 U.S.C. 13925(a)).

VAWA defines *stalking* as engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

## Definitions

For purposes of determining whether a public housing applicant or tenant may be covered by VAWA, the following list of definitions applies:

VAWA defines ***domestic violence*** to include felony or misdemeanor crimes of violence committed by any of the following:

- A current or former spouse or intimate partner of the victim
- A person with whom the victim shares a child in common
- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

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- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

VAWA defines ***sexual assault*** as "any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent."

VAWA defines ***stalking*** as engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.



## **GLOSSARY**

### **A. ACRONYMS USED IN PUBLIC HOUSING**

<b>ACC</b>	Annual contributions contract
<b>ACOP</b>	Admissions and continued occupancy policy
<b>ADA</b>	Americans with Disabilities Act of 1990
<b>AIDS</b>	Acquired immune deficiency syndrome
<b>AMI</b>	Area median income
<b>AMP</b>	Asset management project
<b>BR</b>	Bedroom
<b>CDBG</b>	Community Development Block Grant (Program)
<b>CFP</b>	Capital fund program
<b>CFR</b>	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as “the regulations”)
<b>COCC</b>	Central office cost center
<b>CPI</b>	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
<b>EID</b>	Earned income disallowance
<b>EIV</b>	Enterprise Income Verification
<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>FHA</b>	Federal Housing Administration (HUD Office of Housing)
<b>FHEO</b>	Fair Housing and Equal Opportunity (HUD Office of)
<b>FICA</b>	Federal Insurance Contributions Act (established Social Security taxes)
<b>FMR</b>	Fair market rent
<b>FR</b>	Federal Register
<b>FSS</b>	Family Self-Sufficiency (Program)
<b>FY</b>	Fiscal year
<b>FYE</b>	Fiscal year end
<b>GAO</b>	Government Accountability Office

<b>HA</b>	Housing authority or housing agency
<b>HCV</b>	Housing choice voucher
<b>HERA</b>	Housing and Economic Recovery Act of 2008
<b>HOPE VI</b>	Revitalization of Severely Distressed Public Housing Program
<b>HUD</b>	Department of Housing and Urban Development
<b>HUDCLIPS</b>	HUD Client Information and Policy System
<b>IMS</b>	Inventory Management System
<b>IPA</b>	Independent public accountant
<b>IRA</b>	Individual retirement account
<b>IRS</b>	Internal Revenue Service
<b>JTPA</b>	Job Training Partnership Act
<b>LBP</b>	Lead-based paint
<b>LEP</b>	Limited English proficiency
<b>LIHTC</b>	Low-income housing tax credit
<b>MTW</b>	Moving to Work
<b>NOFA</b>	Notice of funding availability
<b>OGC</b>	HUD's Office of General Counsel
<b>OIG</b>	HUD's Office of Inspector General
<b>OMB</b>	Office of Management and Budget
<b>PASS</b>	Plan to Achieve Self-Support
<b>PHA</b>	Public housing agency
<b>PHAS</b>	Public Housing Assessment System
<b>PIC</b>	PIH Information Center
<b>PIH</b>	(HUD Office of) Public and Indian Housing
<b>QC</b>	Quality control
<b>QHWRA</b>	Quality Housing and Work Responsibility Act of 1998 (also known as the Public Housing Reform Act)

<b>RAD</b>	Rental Assistance Demonstration Program
<b>REAC</b>	(HUD) Real Estate Assessment Center
<b>RFP</b>	Request for proposals
<b>RIGI</b>	Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)
<b>ROSS</b>	Resident Opportunity and Supportive Services
<b>SSA</b>	Social Security Administration
<b>SSI</b>	Supplemental security income
<b>SWICA</b>	State wage information collection agency
<b>TANF</b>	Temporary assistance for needy families
<b>TR</b>	Tenant rent
<b>TTP</b>	Total tenant payment
<b>UA</b>	Utility allowance
<b>UFAS</b>	Uniform Federal Accessibility Standards
<b>UIV</b>	Upfront income verification
<b>UPCS</b>	Uniform Physical Condition Standards
<b>URP</b>	Utility reimbursement payment
<b>VAWA</b>	Violence Against Women Reauthorization Act of 2013
<b>VCA</b>	Voluntary Compliance Agreement

## **B. GLOSSARY OF PUBLIC HOUSING TERMS**

**Accessible.** The facility or portion of the facility can be approached, entered, and used by persons with disabilities.

**Adjusted income.** Annual income, less allowable HUD deductions and allowances.

**Affiliated individual.** With respect to an individual, a spouse, parent, brother, sister, or child of that individual, or an individual person to whom that individual stands in loco parentis (in the position or place of a parent), or any individual, tenant, or lawful occupant living in the household of ~~that individual~~ the victim of domestic violence, dating violence, sexual assault, or stalking.

**Annual contributions contract (ACC).** The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.

**Annual income.** The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

**Applicant (applicant family).** A family that has applied for admission to a program but is not yet a participant in the program.

**As-paid states.** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

**Assets.** (See *net family assets*.)

**Auxiliary aids.** Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving federal financial assistance.

**Bifurcate.** With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

**Ceiling rent.** The highest rent amount the PHA will require a family to pay, for a particular unit size, when the family is paying an income-based rent.

**Child.** A member of the family other than the family head or spouse who is under 18 years of age.

**Child care expenses.** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

**Citizen.** A citizen or national of the United States.

***Cohead.*** An individual in the household who is equally responsible for the lease with the head of household. A family may have a cohead or spouse but not both. A cohead never qualifies as a dependent. The cohead must have legal capacity to enter into a lease.

**Confirmatory review.** An on-site review performed by HUD to verify the management performance of a PHA.

**Consent form.** Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.

**Covered families.** Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which federal, state, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

**Dating violence.** Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

**Dependent.** A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

**Dependent child.** In the context of the student eligibility restrictions, a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* as specified above.

**Disability assistance expenses.** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member, and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

**Disabled family.** A family whose head, cohead, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

**Disabled person.** See *person with disabilities*.

**Disallowance.** Exclusion from annual income.

**Displaced family.** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

**Domestic violence.** Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

**Domicile.** The legal residence of the household head or spouse as determined in accordance with state and local law.

**Drug-related criminal activity.** 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.

**Economic self-sufficiency program.** Any program designed to encourage, assist, train, or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see 24 CFR 5.603(c).

**Effective date.** The "effective date" of an examination or reexamination refers to: (i) in the case of an examination for admission, the date of initial occupancy and (ii) in the case of reexamination of an existing tenant, the date the redetermined rent becomes effective.

**Elderly family.** A family whose head, cohead, spouse, or sole member is a person who is at least 62 years of age; two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

**Elderly person.** An individual who is at least 62 years of age.

**Eligible family (Family).** A family that is income eligible and meets the other requirements of the 1937 Act and Part 5 of 24 CFR.

**Employer identification number (EIN).** The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.

**Evidence of citizenship or eligible status.** The documents which must be submitted as evidence of citizenship or eligible immigration status. (See 24 CFR 5.508(b).)

**Extremely low-income family.** A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area as determined by HUD, whichever number is higher, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes. (See 24 CFR 5.603.)

**Facility.** All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock, or other real or personal property or interest in the property.

**Fair Housing Act.** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.

**Fair market rent (FMR).** The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the *Federal Register* in accordance with 24 CFR Part 888.

**Family.** Includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, and can be further defined in PHA policy.

- A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)
- An elderly family or a near-elderly family
- A displaced family
- The remaining member of a tenant family
- A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

**Family self-sufficiency program (FSS program).** The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

**Federal agency.** A department of the executive branch of the federal government.

**Flat rent.** Established by the PHA for each public housing unit; a rent based on the market rent charged for comparable units in the unassisted rental market, set at no less than 80 percent of the applicable Fair Market Rent (FMR), and adjusted by the amount of the utility allowance, if any

**Foster child care payment.** A payment to eligible households by state, local, or private agencies appointed by the state to administer payments for the care of foster children.

**Full-time student.** A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended). (See 24 CFR 5.603)

**Gender identity.** Actual or perceived gender-related characteristics.

**Handicap.** Any condition or characteristic that renders a person an individual with handicaps. (See *person with disabilities*.)

**Head of household.** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

**Household.** A household includes additional people other than the family who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

**Housing agency (HA).** See *public housing agency*.

**HUD.** The U.S. Department of Housing and Urban Development.

**Imputed asset.** An asset disposed of for less than fair market value during the two years preceding examination or reexamination.

**Imputed asset income.** The PHA-established passbook rate multiplied by the total cash value of assets. The calculation is used when net family assets exceed \$5,000.

**Imputed welfare income.** An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.

**Income.** Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.

**Income-based rent.** A tenant rent that is based on the family's income and the PHA's rent policies for determination of such rents.

**Income information** means information relating to an individual's income, including:

- All employment income information known to current or previous employers or other income sources
- All information about wages, as defined in the state's unemployment compensation law, including any social security number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, employer identification number of an employer reporting wages under a state unemployment compensation law
- Whether an individual is receiving, has received, or has applied for unemployment compensation, and the amount and the period received
- Unearned IRS income and self-employment wages and retirement income
- Wage, social security, and supplemental security income data obtained from the Social Security Administration.

**Individual with handicaps.** See *person with disabilities*.

**Jurisdiction.** The area in which the PHA has authority under state and local law to administer the program.

**Lease.** A written agreement between the PHA and a tenant family for the leasing a public housing unit. The lease establishes the legal relationship between the PHA and the tenant family.

**Live-in aide.** A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

**Local preference.** A preference used by the PHA to select among applicant families.

**Low-income family.** A family whose income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80 percent for areas with unusually high or low incomes.

**Medical expenses.** Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance (a deduction for elderly or disabled families only). These allowances are given when calculating adjusted income for medical expenses in excess of 3 percent of annual income.

**Minimum rent.** An amount established by the PHA of zero to \$50.

**Minor.** A member of the family household other than the family head or spouse, who is under 18 years of age.

**Mixed family.** A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

**Monthly adjusted income.** One twelfth of adjusted income.

**Monthly income.** One twelfth of annual income.

**National.** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**Near-elderly family.** A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

**Net family assets.** (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

- In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under §5.609.
- In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

**Noncitizen.** A person who is neither a citizen nor national of the United States.

**PHA Plan.** The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.

**Participant (participant family).** A family that has been admitted to the PHA program and is currently assisted in the program.

**Person with disabilities.** *For the purposes of program eligibility.* A person who has a disability as defined under the Social Security Act or Developmental Disabilities Care Act, or a person who has a physical or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions. This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence. *For the purposes of reasonable accommodation.* A person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.

**Premises.** The building or complex in which the dwelling unit is located, including common areas and grounds.

**Previously unemployed.** With regard to the earned income disallowance, a person who has earned, in the 12 months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

**Public assistance.** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by federal, state, or local governments.

**Public housing agency (PHA).** Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

**Qualified family.** A family residing in public housing:

- Whose annual income increases as a result of employment of a family member who was unemployed for one or more years previous to employment;
- Whose annual income increases as a result of increased earnings by a family member during participation in any economic self-sufficiency or other job training program; or
- Whose annual income increases, as a result of new employment or increased earnings of a family member, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the PHA in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance, provided that the total amount over a six-month period is at least \$500.

**Reasonable accommodation.** A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access the PHA's programs or services.

**Recertification.** Sometimes called *reexamination*. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.

**Remaining member of the tenant family.** The person left in assisted housing who may or may not normally qualify for assistance on their own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

**Residency preference.** A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (See *residency preference area*).

**Residency preference area.** The specified area where families must reside to qualify for a residency preference.

**Responsible entity.** For the public housing program, the PHA administering the program under an ACC with HUD. **Secretary.** The Secretary of Housing and Urban Development.

**Section 8.** Section 8 of the United States Housing Act of 1937; refers to the housing choice voucher program.

**Security deposit.** A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the PHA upon termination of the lease.

**Sexual assault.** Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent (42 U.S.C. 13925(a))

**Sexual orientation.** Homosexuality, heterosexuality or bisexuality.

**Single person.** A person living alone or intending to live alone.

**Social security number (SSN).** The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

**Specified welfare benefit reduction.** Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

**Spouse.** The marriage partner of the head of household.

**Stalking.** To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

**State wage information collection agency (SWICA).** The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

**Tenant.** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

**Tenant rent.** The amount payable monthly by the family as rent to the PHA.

**Total tenant payment (TTP).** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

**Utilities.** Water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone service is not included.

**Utility allowance.** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

**Utility reimbursement.** The amount, if any, by which the utility allowance for the unit, if applicable, exceeds the total tenant payment (TTP) for the family occupying the unit.

**Veteran.** A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

**Violence Against Women Reauthorization Act (VAWA) of 2013.** Prohibits denying admission to ~~the project to,~~ denying assistance under, or evicting from a public housing unit an otherwise qualified applicant or tenant on the basis that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

**Violent criminal activity.** Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

**Waiting list.** A list of families organized according to HUD regulations and PHA policy who are waiting for a unit to become available.

**Welfare assistance.** Income assistance from federal or state welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. For the FSS program (984.103(b)), *welfare assistance* includes only cash maintenance payments from federal or state programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or social security.

## **IV. Required Certifications**

IN THE MATTER OF APPROVING THE SUBMISSION OF THE ANNUAL AGENCY PLAN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016

**Certifications of Compliance with  
PHA Plans and Related Regulations  
(Standard, Troubled, HCV-Only, and  
High Performer PHAs)**

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB No. 2577-0226  
Expires 02/29/2016

**PHA Certifications of Compliance with the PHA Plan and Related Regulations including  
Required Civil Rights Certifications**

*Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairman or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the \_\_\_ 5-Year and/or X \_\_\_ Annual PHA Plan for the PHA fiscal year beginning \_\_\_10/1/2016\_\_\_, hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:*

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan.
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
5. The PHA certifies that it will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
6. The PHA will affirmatively further fair housing by examining their programs or proposed programs, identifying any impediments to fair housing choice within those programs, addressing those impediments in a reasonable fashion in view of the resources available and work with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement and by maintaining records reflecting these analyses and actions.
7. For PHA Plans that includes a policy for site based waiting lists:
  - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2010-25);
  - The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
  - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
  - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing;
  - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR part 903.7(c)(1).
8. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
9. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
10. The PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
11. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.

12. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
13. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
14. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
15. The PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
16. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
17. The PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments), 2 CFR Part 225, and 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).
18. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
19. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

HOUSING AND COMMUNITY SERVICES AGENCY OF LANE COUNTY (HACSA)

OR006

PHA Name

PHA Number/HA Code

\_\_\_\_\_ Annual PHA Plan for Fiscal Year 2017\_\_

\_\_\_\_\_ 5-Year PHA Plan for Fiscal Years 2015\_\_ - 2019\_\_

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Authorized Official	Title
CHARENE REAVIS	BOARD CHAIR
Signature	Date
	7 12 16

**Certification by State or Local  
Official of PHA Plans Consistency  
with the Consolidated Plan or  
State Consolidated Plan  
(All PHAs)**

U. S Department of Housing and Urban Development  
Office of Public and Indian Housing  
Rec'd HACSA DI - Mail  
OMB No. 2577-0226  
Expires 2/29/2016  
MAY 26 2016

**Certification by State or Local Official of PHA Plans  
Consistency with the Consolidated Plan or State Consolidated Plan**

I, Jon R. Ruiz, the City Manager  
*Official's Name* *Official's Title*

certify that the 5-Year PHA Plan and/or Annual PHA Plan of the

Housing and Community Services Agency of Lane County  
*PHA Name*

is consistent with the Consolidated Plan or State Consolidated Plan and the Analysis of

Impediments (AI) to Fair Housing Choice of the

City of Eugene  
*Local Jurisdiction Name*

pursuant to 24 CFR Part 91.

Provide a description of how the PHA Plan is consistent with the Consolidated Plan or State Consolidated Plan and the AI: Plan preserves affordable housing in a way that is consistent with the goals of the consolidated plan.

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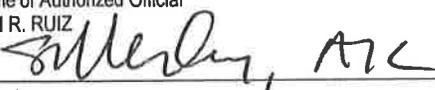
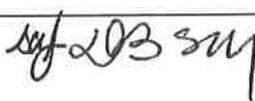
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I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

JON R. RUIZ

Signature

Title

CITY MANAGER

Date

5/23/2016



**SECTION 8**  
**ADMINISTRATIVE PLAN**  
**2016**

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## GLOSSARY

## **Introduction**

### **ABOUT THE REFERENCES CITED IN THE MODEL ADMINISTRATIVE PLAN**

#### **AUTHORITIES FOR POLICIES IN THE MODEL ADMINISTRATIVE PLAN**

The authority for PHA policies is derived from many sources. Primary among these sources are federal statutes, federal regulations, and guidance issued by HUD. State law also directs PHA policy. State law must be followed where such law exists and does not conflict with federal regulations. Industry practice may also be used to develop policy as long as it does not conflict with federal requirements or prohibitions.

#### **HUD**

HUD provides the primary source of PHA policy through federal regulations, HUD notices, and handbooks. Compliance with federal regulations, current HUD notices, and current HUD handbooks is mandatory.

HUD also provides guidance to PHAs through other means such as HUD-published guidebooks, expired HUD notices, and expired handbooks. Basing PHA policy on HUD guidance is optional, as long as PHA policies comply with federal law, federal regulations and mandatory policy. Because HUD has already determined that the guidance it provides is consistent with mandatory policies, PHA reliance on HUD guidance provides the PHA with a “safe harbor.”

Material posted on the HUD website can provide further clarification of HUD policies. For example, FAQs on the HUD website can provide direction on the application of federal regulations in various aspects of the program.

#### **State Law**

Where there is no mandatory federal guidance, PHAs must comply with state law, if it exists. Where state law is more restrictive than federal law, but does not conflict with it, the PHA should follow the state law.

#### **Industry Practice**

Where no law or HUD authority exists on a particular subject, industry practice may support PHA policy. Industry practice refers to a way of doing things or a policy that has been adopted by a majority of PHAs.

### **RESOURCES CITED IN THE MODEL ADMINISTRATIVE PLAN**

The model administrative plan cites several documents. Where a document or resource is cited frequently, it may be abbreviated. Where it is cited only once or twice, the model administrative plan may contain the entire name of the document or resource. Following is a key to abbreviations used for various sources that are frequently cited in the administrative plan and a list of references and document locations that are referenced in the model administrative plan or that may be helpful to you.

## Abbreviations

Throughout the model administrative plan, abbreviations are used to designate certain documents in citations. The following is a table of abbreviations of documents cited in the model administrative plan.

<b>Abbreviation</b>	<b>Document</b>
CFR	Code of Federal Regulations
HCV GB	Housing Choice Voucher Program Guidebook (7420.10G), April 2001.
HUD-50058 IB	HUD-50058 Instruction Booklet
RHIIP FAQs	Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions.
VG	PIH Notice 2004-01 Verification Guidance, March 9, 2004.
HB 4350.3	Occupancy Requirements of Subsidized Multifamily Housing Programs

## Resources and Where to Find Them

Following is a list of resources helpful to the PHA or referenced in the model administrative plan, and the online location of each.

<b>Document and Location</b>
Code of Federal Regulations <a href="http://www.gpoaccess.gov/cfr/index.html">http://www.gpoaccess.gov/cfr/index.html</a>
Earned Income Disregard FAQ <a href="http://www.hud.gov/offices/pih/phr/about/ao_faq_eid.cfm">www.hud.gov/offices/pih/phr/about/ao_faq_eid.cfm</a>
Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Final Rule <a href="http://edocket.access.gpo.gov/2008/pdf/E8-19435.pdf">http://edocket.access.gpo.gov/2008/pdf/E8-19435.pdf</a>
Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/docs/eivsecguidepha.pdf">http://www.hud.gov/offices/pih/programs/ph/rhiip/docs/eivsecguidepha.pdf</a>
Executive Order 11063 <a href="http://www.hud.gov/offices/fheo/FHLaws/EXO11063.cfm">http://www.hud.gov/offices/fheo/FHLaws/EXO11063.cfm</a>

<p>Federal Register  <a href="http://www.access.gpo.gov/su_docs/aces/fr-cont.html">http://www.access.gpo.gov/su_docs/aces/fr-cont.html</a></p>
<p>General Income and Rent Determination FAQs  <a href="http://www.hud.gov/offices/pih/programs/ph/rhiip/faq_gird.cfm">www.hud.gov/offices/pih/programs/ph/rhiip/faq_gird.cfm</a></p>
<p>Housing Choice Voucher Program Guidebook (7420.10G), April 2001  <a href="http://www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm">www.hud.gov/offices/pih/programs/hcv/forms/guidebook.cfm</a></p>
<p>HUD-50058 Instruction Booklet  <a href="http://portal.hud.gov/hudportal/documents/huddoc?id=50058i.pdf">http://portal.hud.gov/hudportal/documents/huddoc?id=50058i.pdf</a></p>
<p>Joint Statement of the Department of Housing and Urban Development and the Department of Justice, issued May 17, 2004  <a href="http://www.hud.gov/offices/fheo/library/huddojstatement.pdf">http://www.hud.gov/offices/fheo/library/huddojstatement.pdf</a></p>
<p>Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007  <a href="http://www.hud.gov/offices/fheo/promotingfh/FederalRegistepublishedguidance.pdf">http://www.hud.gov/offices/fheo/promotingfh/FederalRegistepublishedguidance.pdf</a></p>
<p>Notice PIH 2012-10, Verification of Social Security Numbers (SSNs) and Supplemental Security Income (SSI) Benefits; and Effective Use of the Enterprise Income Verification (EIV) System's Identity Verification Report  <a href="http://portal.hud.gov/huddoc/pih2012-10.pdf">http://portal.hud.gov/huddoc/pih2012-10.pdf</a></p>
<p>Notice PIH 2010-19, Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System  <a href="http://www.hud.gov/offices/pih/publications/notices/10/pih2010-19.pdf">http://www.hud.gov/offices/pih/publications/notices/10/pih2010-19.pdf</a></p>
<p>Notice PIH 2010-26 (HA), Nondiscrimination and Accessibility Notice  <a href="http://www.hud.gov/offices/pih/publications/notices/10/pih2010-26.pdf">http://www.hud.gov/offices/pih/publications/notices/10/pih2010-26.pdf</a></p>
<p>OMB Circular A-133  <a href="http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2010">http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2010</a></p>
<p>Project-Based Voucher Program; Final Rule  <a href="http://www.gpo.gov/fdsys/pkg/FR-2005-10-13/pdf/05-20035.pdf">http://www.gpo.gov/fdsys/pkg/FR-2005-10-13/pdf/05-20035.pdf</a></p>

Rental Housing Integrity Improvement Program (RHIIP) Frequently Asked Questions.  
[www.hud.gov/offices/pih/programs/ph/rhiip/faq.cfm](http://www.hud.gov/offices/pih/programs/ph/rhiip/faq.cfm)

VAWA Final Rule

<http://www.gpo.gov/fdsys/pkg/FR-2010-10-27/pdf/2010-26914.pdf>

Verification FAQ

[www.hud.gov/offices/pih/programs/ph/rhiip/faq\\_verif.cfm](http://www.hud.gov/offices/pih/programs/ph/rhiip/faq_verif.cfm)

Verification Guidance, March 2004 (attachment to Notice PIH 2004-1)

<http://www.hud.gov/offices/pih/publications/notices/04/verifguidance.pdf>

The HUD Web site is <http://portal.hud.gov/hudportal/HUD>.

Guidebooks, handbooks and other HUD resources may be found at the HUDClips Web site:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips)

## Chapter 1

### OVERVIEW OF THE PROGRAM AND PLAN

#### INTRODUCTION

The PHA receives its funding for the Housing Choice Voucher (HCV) program from the Department of Housing and Urban Development. The PHA is not a federal department or agency. A public housing agency (PHA) is a governmental or public body, created and authorized by state law to develop and operate housing and housing programs for low-income families. The PHA enters into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. The PHA must ensure compliance with federal laws, regulations and notices and must establish policy and procedures to clarify federal requirements and to ensure consistency in program operation.

This chapter contains information about the PHA and its programs with emphasis on the HCV program. It also contains information about the purpose, intent and use of the plan and guide.

There are three parts to this chapter:

Part I: The Public Housing Agency (PHA). This part includes a description of the PHA, its jurisdiction, its programs, and its mission and intent.

Part II: The HCV Program. This part contains information about the Housing Choice Voucher program operation, roles and responsibilities, and partnerships.

Part III: The HCV Administrative Plan. This part discusses the purpose and organization of the plan and its revision requirements.

#### PART I: THE PHA

##### 1-I.A. OVERVIEW

This part explains the origin of the PHA's creation and authorization, the general structure of the organization, and the relationship between the PHA Board and staff.

## **1-I.B. ORGANIZATION AND STRUCTURE OF THE PHA**

The Section 8 tenant-based Housing Choice Voucher (HCV) assistance program is funded by the federal government and administered by the **Housing and Community Services Agency of Lane County** for the jurisdiction of **Lane County, Oregon**.

The officials of a PHA are known as commissioners or, collectively, as the board of commissioners. Commissioners are appointed in accordance with state housing law and generally serve in the same capacity as the directors of a corporation, establishing policies under which the PHA conducts business, ensuring that policies are followed by PHA staff and ensuring that the PHA is successful in its mission. The board is responsible for preserving and expanding the agency's resources and assuring the agency's continued viability.

Formal actions of the PHA are taken through written resolutions, adopted by the board of commissioners and entered into the official records of the PHA.

The principal staff member of the PHA is the executive director (ED), hired and appointed by the board of commissioners. The executive director is directly responsible for carrying out the policies established by the board and is delegated the responsibility for hiring, training and supervising the PHA staff in order to manage the day-to-day operations of the PHA. The executive director is responsible for ensuring compliance with federal and state laws and directives for the programs managed. In addition, the executive director's duties include budgeting and financial planning for the agency.

## **1-I.C. PHA MISSION**

The purpose of a mission statement is to communicate the purpose of the agency to people inside and outside of the agency. It provides guiding direction for developing strategy, defining critical success factors, searching out key opportunities, making resource allocation choices, satisfying clients and stakeholders, and making decisions.

### PHA Policy

Working together we are making a difference in the quality of housing and related community services.

## **1-I.D. THE PHA'S PROGRAMS**

The following programs are included under this administrative plan:

### PHA Policy

The PHA's administrative plan is applicable to the operation of the Housing Choice Voucher program. In addition, the administrative plan addresses policies for the following special programs:

Family Self Sufficiency

Single room occupancy (SRO)

Homeownership

Veterans Affairs Supportive Housing (VASH)

HCV policies do pertain to families who participate in the FSS program. However, there is also an FSS action plan which addresses the operation and guidelines for the operation of the FSS program.

## **1-I.E. THE PHA'S COMMITMENT TO ETHICS AND SERVICE**

As a public service agency, the PHA is committed to providing excellent service to HCV program participants, owners, and to the community. The PHA's standards include:

- Administer applicable federal and state laws and regulations to achieve high ratings in performance measurement indicators while maintaining efficiency in program operation to ensure fair and consistent treatment of clients served.
- Provide decent, safe, and sanitary housing – in compliance with program housing quality standards – for very low income families while ensuring that family rents are fair, reasonable, and affordable.
- Encourage self sufficiency of participant families and assist in the expansion of family opportunities which address educational, socio-economic, recreational and other human services needs.
- Promote fair housing and the equal opportunity for very low-income families of all ethnic backgrounds to experience freedom of housing choice.
- Promote a housing program which maintains quality service and integrity while providing an incentive to private property owners to rent to very low-income families.
- Promote a market-driven housing program that will help qualified low-income families be successful in obtaining affordable housing and increase the supply of housing choices for such families.
- Create positive public awareness and expand the level of family, owner, and community support in accomplishing the PHA's mission.
- Attain and maintain a high level of standards and professionalism in day-to-day management of all program components.

- Administer an efficient, high-performing agency through continuous improvement of the PHA's support systems and a high level of commitment to our employees and their development.

The PHA will make every effort to keep program participants informed of HCV program rules and regulations, and to advise participants of how the program rules affect them.

## **PART II: THE HOUSING CHOICE VOUCHER (HCV) PROGRAM**

### **1-II.A. OVERVIEW AND HISTORY OF THE PROGRAM**

The intent of this section is to provide the public and staff with information related to the overall operation of the program. There have been many changes to the program since its inception in 1974 and a brief history of the program will assist the reader to better understand the program.

The United States Housing Act of 1937 (the “Act”) is responsible for the birth of federal housing program initiatives. The Act was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing developments for low-income residents.

The Housing and Community Development (HCD) Act of 1974 created a new federally assisted housing program – the Section 8 Existing program (also known as the Section 8 Certificate program). The HCD Act represented a significant shift in federal housing strategy from locally owned public housing to privately owned rental housing.

Under the Certificate program, federal housing assistance payments were made directly to private owners of rental housing, where this housing was made available to lower-income families. Eligible families were able to select housing in the private rental market. Assuming that the housing met certain basic physical standards of quality (“housing quality standards”) and was within certain HUD-established rent limitations (“fair market rents”), the family would be able to receive rental assistance in the housing unit. Family contribution to rent was generally set at 30 percent of the family’s adjusted income, with the remainder of the rent paid by the program.

Another unique feature of the Certificate program was that the rental assistance remained with the eligible family, if the family chose to move to another privately-owned rental unit that met program requirements (in contrast to the public housing program where the rental assistance remains with the unit, should the family decide to move). Consequently, the Certificate program was characterized as tenant-based assistance, rather than unit-based assistance.

The Housing and Community Development (HCD) Act of 1987 authorized a new version of tenant-based assistance – the Section 8 Voucher program. The Voucher program was very similar to the Certificate program in that eligible families were able to select housing in the private rental market and receive assistance in that housing unit.

However, the Voucher program permitted families more options in housing selection. Rental housing still had to meet the basic housing quality standards, but there was no fair market rent limitation on rent. In addition, family contribution to rent was not set at a limit of 30 percent of adjusted income. Consequently, depending on the actual rental cost of the unit selected, a family might pay more or less than 30 percent of their adjusted income for rent.

From 1987 through 1999, public housing agencies managed both the Certificate and Voucher tenant-based assistance programs, with separate rules and requirements for each. From 1994 through 1998, HUD published a series of new rules, known as “conforming” rules, to more closely combine and align the two similar housing programs, to the extent permitted by the law.

In 1998, the Quality Housing and Work Responsibility Act (QHWRA) – also known as the Public Housing Reform Act – was signed into law. QHWRA eliminated all statutory differences between the Certificate and Voucher tenant-based programs and required that the two programs be merged into a single tenant-based assistance program, now known as the Housing Choice Voucher (HCV) program.

The HCV program was modeled closely on the pre-merger Voucher program. However, unlike the pre-merger Voucher program, the HCV program requires an assisted family to pay at least 30 percent of adjusted income for rent.

The transition of assistance from the Certificate and Voucher programs to the new HCV program began in October 1999. By October 2001, all families receiving tenant-based assistance were converted to the HCV program.

## **1-II.B. HCV PROGRAM BASICS**

The purpose of the HCV program is to provide rental assistance to eligible families. The rules and regulations of the HCV program are determined by the U.S. Department of Housing and Urban Development. The PHA is afforded choices in the operation of the program which are included in the PHA's administrative plan, a document approved by the board of commissioners of the PHA.

The HCV program offers mobility to eligible families because they may search for suitable housing anywhere in the PHA's jurisdiction and may also be eligible to move under portability to other PHAs' jurisdictions.

When a family is determined to be eligible for the program and funding is available, the PHA issues the family a housing voucher. When the family finds a suitable housing unit and funding is available, the PHA will enter into a contract with the owner and the family will enter into a lease with the owner. Each party makes their respective payment to the owner so that the owner receives full rent.

Even though the family is determined to be eligible for the program, the owner has the responsibility of approving the family as a suitable renter. The PHA continues to make payments to the owner as long as the family is eligible and the housing unit continues to qualify under the program.

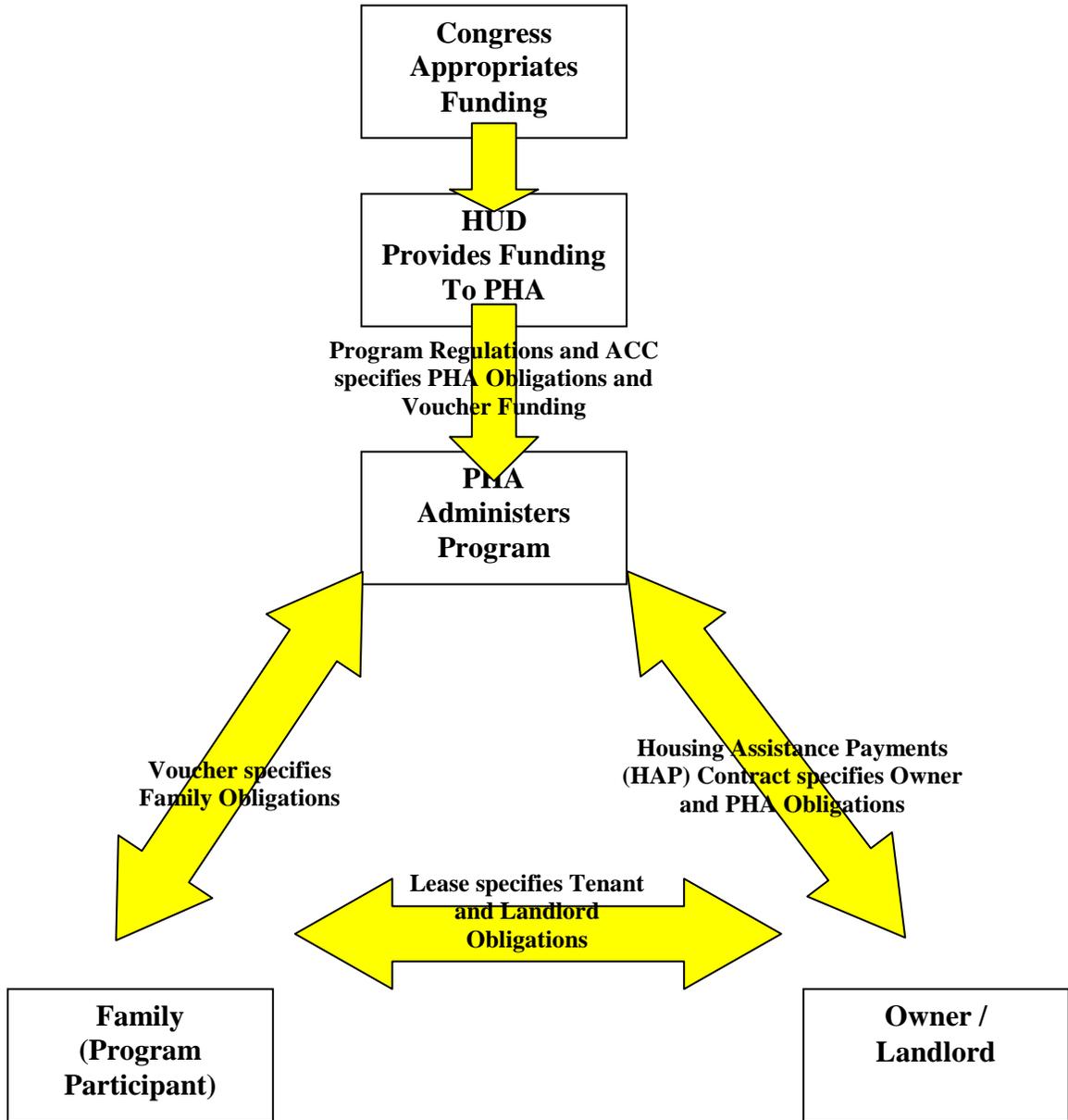
## **1-II.C. THE HCV PARTNERSHIPS**

To administer the HCV program, the PHA enters into a contractual relationship with HUD (Consolidated Annual Contributions Contract). The PHA also enters into contractual relationships with the assisted family and the owner or landlord of the housing unit.

For the HCV program to work and be successful, all parties involved – HUD, the PHA, the owner, and the family – have important roles to play. The roles and responsibilities of all parties are defined in federal regulations and in legal documents that parties execute to participate in the program.

The chart on the following page illustrates key aspects of these relationships.

**The HCV Relationships:**



## **What Does HUD Do?**

HUD has the following major responsibilities:

- Develop regulations, requirements, handbooks, notices and other guidance to implement HCV housing program legislation passed by Congress;
- Allocate HCV program funds to PHAs;
- Provide technical assistance to PHAs on interpreting and applying HCV program requirements;
- Monitor PHA compliance with HCV program requirements and PHA performance in program administration.

## **What Does the PHA Do?**

The PHA administers the HCV program under contract with HUD and has the following major responsibilities:

- Establish local policies to administer the program;
- Review applications from interested applicants to determine whether they are eligible for the program;
- Maintain a waiting list and select families for admission;
- Issue vouchers to eligible families and provide information on how to lease a unit;
- Conduct outreach to owners, with special attention to owners outside areas of poverty or minority concentration;
- Approve the rental unit (including assuring compliance with housing quality standards and rent reasonableness), the owner, and the tenancy;
- Make housing assistance payments to the owner in a timely manner;
- Recertify families for continued eligibility under the program;
- Ensure that owners and families comply with their contractual obligations;
- Provide families and owners with prompt, professional service;
- Comply with all fair housing and equal opportunity requirements, HUD regulations and requirements, the Annual Contributions Contract, HUD-approved applications for funding, the PHA's administrative plan, and other applicable federal, state and local laws.

## **What Does the Owner Do?**

The owner has the following major responsibilities:

- Screen families who apply for tenancy, to determine suitability as renters.
  - The PHA can provide some information to the owner, but the primary responsibility for tenant screening rests with the owner.
  - The owner should consider family background factors such as rent and bill-paying history, history of caring for property, respecting the rights of others to peaceful enjoyment of the property, compliance with essential conditions of tenancy, whether the family is engaging in drug-related criminal activity or other criminal activity that might threaten others.
- Comply with the terms of the Housing Assistance Payments contract executed with the PHA;
- Comply with all applicable fair housing laws and do not discriminate against anyone;
- Maintain the housing unit in accordance with Housing Quality Standards (HQS) and make necessary repairs in a timely manner;
- Collect rent due from the assisted family and otherwise comply with and enforce provisions of the dwelling lease.

## **What Does the Family Do?**

The family has the following responsibilities:

- Provide the PHA with complete and accurate information as determined by the PHA to be necessary for administration of the program;
- Make their best and most timely efforts to locate qualified and suitable housing;
- Attend all appointments scheduled by the PHA;
- Allow the PHA to inspect the unit at reasonable times and after reasonable notice;
- Take responsibility for care of the housing unit, including any violations of housing quality standards caused by the family;
- Comply with the terms of the lease with the owner;
- Comply with the family obligations of the voucher;
- Not commit serious or repeated violations of the lease;
- Not engage in drug-related or violent criminal activity;
- Notify the PHA and the owner before moving or terminating the lease;
- Use the assisted unit only for residence and as the sole residence of the family. Not sublet the unit, assign the lease, or have any interest in the unit;
- Promptly notify the PHA of any changes in family composition;
- Not commit fraud, bribery, or any other corrupt or criminal act in connection with any housing programs.

## **1-II.D. APPLICABLE REGULATIONS**

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 35: Lead-Based Paint
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 983: Project-Based Vouchers
- 24 CFR Part 985: The Section 8 Management Assessment Program (SEMAP)

## **PART III: THE HCV ADMINISTRATIVE PLAN**

### **1-III.A. OVERVIEW AND PURPOSE OF THE PLAN**

The administrative plan is required by HUD. The purpose of the administrative plan is to establish policies for carrying out the programs in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's agency plan. This administrative plan is a supporting document to the PHA agency plan, and is available for public review as required by CFR 24 Part 903.

This administrative plan is set forth to define the PHA's local policies for operation of the housing programs in accordance with federal laws and regulations. All issues related to the HCV program not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable law. The policies in this administrative plan have been designed to ensure compliance with the consolidated ACC and all HUD-approved applications for program funding.

The PHA is responsible for complying with all changes in HUD regulations pertaining to the HCV program. If such changes conflict with this plan, HUD regulations will have precedence.

Administration of the HCV program and the functions and responsibilities of PHA staff shall be in compliance with the PHA's personnel policy and HUD regulations as well as all federal, state and local fair housing laws and regulations.

### **1-III.B. CONTENTS OF THE PLAN [24 CFR 982.54]**

The HUD regulations at 24 CFR 982.54 define the policies that must be included in the administrative plan. They are as follow:

- Selection and admission of applicants from the PHA waiting list, including any PHA admission preferences, procedures for removing applicant names from the waiting list, and procedures for closing and reopening the PHA waiting list (Chapter 4);
- Issuing or denying vouchers, including PHA policy governing the voucher term and any extensions of the voucher term. If the PHA decides to allow extensions of the voucher term, the PHA administrative plan must describe how the PHA determines whether to grant extensions, and how the PHA determines the length of any extension (Chapter 5);
- Any special rules for use of available funds when HUD provides funding to the PHA for a special purpose (e.g., desegregation), including funding for specified families or a specified category of families (Chapter 4);

- Occupancy policies, including definition of what group of persons may qualify as a 'family', definition of when a family is considered to be 'continuously assisted'; standards for denying admission or terminating assistance based on criminal activity or alcohol abuse in accordance with 982.553 (Chapters 3 and 12);
- Encouraging participation by owners of suitable units located outside areas of low income or minority concentration (Chapter 13);
- Assisting a family that claims that illegal discrimination has prevented the family from leasing a suitable unit (Chapter 2);
- Providing information about a family to prospective owners (Chapters 3 and 9);
- Disapproval of owners (Chapter 13);
- Subsidy standards (Chapter 5);
- Family absence from the dwelling unit (Chapter 12) ;
- How to determine who remains in the program if a family breaks up (Chapter 3);
- Informal review procedures for applicants (Chapter 16);
- Informal hearing procedures for participants (Chapter 16);
- The process for establishing and revising voucher payment standards (Chapter 16);
- The method of determining that rent to owner is a reasonable rent (initially and during the term of a HAP contract) (Chapter 8);
- Special policies concerning special housing types in the program (e.g., use of shared housing) (Chapter 15);
- Policies concerning payment by a family to the PHA of amounts the family owes the PHA (Chapter 16);
- Interim redeterminations of family income and composition (Chapter 11);
- Restrictions, if any, on the number of moves by a participant family (Chapter 10);
- Approval by the board of commissioners or other authorized officials to charge the administrative fee reserve (Chapter 16);
- Procedural guidelines and performance standards for conducting required housing quality standards inspections (Chapter 8); and
- PHA screening of applicants for family behavior or suitability for tenancy (Chapter 3).

## **Mandatory vs. Discretionary Policy**

HUD makes a distinction between:

- Mandatory policies: those driven by legislation, regulations, current handbooks, notices, and legal opinions, and
- Optional, non-binding guidance, including guidebooks, notices that have expired and recommendations from individual HUD staff.

HUD expects PHAs to adopt local policies and procedures that are consistent with mandatory policies in areas where HUD gives the PHA discretion. The PHA's administrative plan is the foundation of those policies and procedures. HUD's directions require PHAs to make policy choices that provide sufficient guidance to staff and ensure consistency to program applicants and participants.

Creating policies based upon HUD guidance is not mandatory, but provides a PHA with a "safe harbor." HUD has already determined that the recommendations and suggestions it makes are consistent with mandatory policies. If a PHA adopts an alternative strategy, it must make its own determination that the alternative approach is consistent with legislation, regulations, and other mandatory requirements. There may be very good reasons for adopting a policy or procedure that is different than HUD's safe harbor, but PHAs should carefully think through those decisions.

### **1-III.C. ORGANIZATION OF THE PLAN**

The plan is organized to provide information to users in particular areas of operation.

### **1-III.D. UPDATING AND REVISING THE PLAN**

The PHA will revise this administrative plan as needed to comply with changes in HUD regulations. The original plan and any changes must be approved by the board of commissioners of the agency, the pertinent sections included in the Agency Plan, and a copy provided to HUD.

#### PHA Policy

The PHA will review and update the plan as needed, to reflect changes in regulations, PHA operations, or when needed to ensure staff consistency in operation.



## Chapter 2

### FAIR HOUSING AND EQUAL OPPORTUNITY

#### INTRODUCTION

This chapter explains the laws and HUD regulations requiring PHAs to affirmatively further civil rights and fair housing in all federally-assisted housing programs. The letter and spirit of these laws are implemented through consistent policy and processes. The responsibility to further nondiscrimination pertains to all areas of the PHA's housing choice voucher (HCV) operations.

This chapter describes HUD regulations and PHA policies related to these topics in three parts:

Part I: Nondiscrimination. This part presents the body of laws and regulations governing the responsibilities of the PHA regarding nondiscrimination.

Part II: Policies Related to Persons with Disabilities. This part discusses the rules and policies of the housing choice voucher program related to reasonable accommodation for persons with disabilities. These rules and policies are based on the Fair Housing Act (42.U.S.C.) and Section 504 of the Rehabilitation Act of 1973, and incorporate guidance from the Joint Statement of The Department of Housing and Urban Development and the Department of Justice (DOJ), issued May 17, 2004.

Part III: Prohibition of Discrimination Against Limited English Proficiency Persons. This part details the obligations of the PHA to ensure meaningful access to the HCV program and its activities by persons with limited English proficiency (LEP). This part incorporates the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons published January 22, 2007, in the *Federal Register*.



## PART I: NONDISCRIMINATION

### 2-I.A. OVERVIEW

Federal laws require PHAs to treat all applicants and participants equally, providing the same opportunity to access services, regardless of family characteristics and background. Federal law prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, familial status, and disability. In addition, HUD regulations provide for additional protections regarding sexual orientation, gender identity, and marital status. The PHA will comply fully with all federal, state, and local nondiscrimination laws, and with rules and regulations governing fair housing and equal opportunity in housing and employment, including:

- Title VI of the Civil Rights Act of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent that it applies, otherwise Section 504 and the Fair Housing Amendments govern)
- The Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Final Rule, published in the *Federal Register* February 3, 2012 and further clarified in Notice PIH 2014-20
- Violence Against Women Reauthorization Act of 2013 (VAWA)

When more than one civil rights law applies to a situation, the laws will be read and applied together.

Any applicable state laws or local ordinances and any legislation protecting individual rights of tenants, applicants, or staff that may subsequently be enacted will also apply.

#### PHA Policy

State protected classes in addition to already federal protected classes, and in addition to those protections offered under the Equal Access in Housing Final Rule include:

- Sex (includes pregnancy)
- Retaliation for opposing an unlawful employment practice
- Association with a member of a protected class
- Age (18 or older)
- Family relationship.

State discrimination law also prohibits a person from refusing to sell, lease, or rent any real property because of an individual's source of income.

## **2-I.B. NONDISCRIMINATION**

Federal regulations prohibit discrimination against certain protected classes and other groups of people. State and local requirements, as well as PHA policies, can prohibit discrimination based on other factors.

The PHA shall not discriminate because of race, color, sex, religion, familial status, age, disability or national origin (called “protected classes”)

Familial status includes children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18.

The PHA will not discriminate on the basis of marital status, gender identity, or sexual orientation [FR Notice 02/03/12].

### PHA Policy

The PHA will not discriminate on the basis of perceived sexual orientation, gender identity or marital status.

The PHA will not use any of these factors to:

- Deny to any family the opportunity to apply for housing, nor deny to any qualified applicant the opportunity to participate in the housing choice voucher program
- Provide housing that is different from that provided to others
- Subject anyone to segregation or disparate treatment
- Restrict anyone's access to any benefit enjoyed by others in connection with the housing program
- Treat a person differently in determining eligibility or other requirements for admission
- Steer an applicant or participant toward or away from a particular area based any of these factors
- Deny anyone access to the same level of services
- Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program
- Discriminate in the provision of residential real estate transactions
- Discriminate against someone because they are related to or associated with a member of a protected class
- Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons who are members of a protected class

## **Providing Information to Families and Owners**

The PHA must take steps to ensure that families and owners are fully aware of all applicable civil rights laws. As part of the briefing process, the PHA must provide information to HCV applicant families about civil rights requirements and the opportunity to rent in a broad range of neighborhoods [24 CFR 982.301]. The Housing Assistance Payments (HAP) contract informs owners of the requirement not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

## **Discrimination Complaints**

If an applicant or participant believes that any family member has been discriminated against by the PHA or an owner, the family should advise the PHA. HUD requires the PHA to make every reasonable attempt to determine whether the applicant's or participant's assertions have merit and take any warranted corrective action. In addition, the PHA is required to provide the applicant or participant with information about how to file a discrimination complaint [24 CFR 982.304].

- Upon receipt of a housing discrimination complaint, the PHA is required to:
- Provide written notice of the complaint to those alleged and inform the complainant that such notice was made
- Investigate the allegations and provide the complainant and those alleged with findings and either a proposed corrective action or an explanation of why corrective action is not warranted
- Keep records of all complaints, investigations, notices, and corrective actions [Notice PIH 2014-20]

### PHA Policy

Applicants or participants who believe that they have been subject to unlawful discrimination may notify the PHA either orally or in writing.

Within 14 business days of receiving the complaint, the PHA will provide a written notice to those alleged to have violated the rule. The PHA will also send a written notice to the complainant informing them that notice was sent to those alleged to have violated the rule, as well as information on how to complete and submit a housing discrimination complaint form to HUD's Office of Fair Housing and Equal Opportunity (FHEO).

The PHA will attempt to remedy discrimination complaints made against the PHA and will conduct an investigation into all allegations of discrimination.

Within 14 business days following the conclusion of the PHA's investigation, the PHA will provide the complainant and those alleged to have violated the rule with findings and either a proposed corrective action plan or an explanation of why corrective action is not warranted.

The PHA will keep a record of all complaints, investigations, notices, and corrective actions. (See Chapter 16.)



## **PART II: POLICIES RELATED TO PERSONS WITH DISABILITIES**

### **2-II.A. OVERVIEW**

One type of disability discrimination prohibited by the Fair Housing Act is the refusal to make reasonable accommodation in rules, policies, practices, or services when such accommodation may be necessary to afford a person with a disability the equal opportunity to use and enjoy a program or dwelling under the program.

The PHA must ensure that persons with disabilities have full access to the PHA's programs and services. This responsibility begins with the first contact by an interested family and continues through every aspect of the program.

#### PHA Policy

The PHA will ask all applicants and participants if they require any type of accommodations, in writing, on the intake application, reexamination documents, and notices of adverse action by the PHA, by including the following language:

“If you or anyone in your family is a person with disabilities, and you require a specific accommodation in order to fully utilize our programs and services, please contact the housing authority.”

A specific name and phone number of designated staff will be provided to process requests for accommodation.

The PHA will display posters and other housing information and signage in locations throughout the PHA's office in such a manner as to be easily readable from a wheelchair.

## **2-II.B. DEFINITION OF REASONABLE ACCOMMODATION**

A reasonable accommodation is an adjustment made to a rule, policy, practice, or service that allows a person with a disability to have equal access to the HCV program. For example, reasonable accommodations may include making home visits, extending the voucher term, or approving an exception payment standard in order for a participant to lease an accessible dwelling unit.

Federal regulations stipulate that requests for accommodations will be considered reasonable if they do not create an “undue financial and administrative burden” for the PHA, or result in a “fundamental alteration” in the nature of the program or service offered. A fundamental alteration is a modification that alters the essential nature of a provider’s operations.

### **Types of Reasonable Accommodations**

When needed, the PHA will modify normal procedures to accommodate the needs of a person with disabilities. Examples include:

- Permitting applications and reexaminations to be completed by mail
- Conducting home visits
- Using higher payment standards (either within the acceptable range or with HUD approval of a payment standard outside the PHA range) if the PHA determines this is necessary to enable a person with disabilities to obtain a suitable housing unit
- Providing time extensions for locating a unit when necessary because of lack of availability of accessible units or special challenges of the family in seeking a unit
- Permitting an authorized designee or advocate to participate in the application or certification process and any other meetings with PHA staff

## **2-II.C. REQUEST FOR AN ACCOMMODATION**

If an applicant or participant indicates that an exception, change, or adjustment to a rule, policy, practice, or service is needed because of a disability, HUD requires that the PHA treat the information as a request for a reasonable accommodation, even if no formal request is made [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

The family must explain what type of accommodation is needed to provide the person with the disability full access to the PHA's programs and services.

If the need for the accommodation is not readily apparent or known to the PHA, the family must explain the relationship between the requested accommodation and the disability. There must be an identifiable connection, or nexus, between the requested accommodation and the individual's disability.

### PHA Policy

The PHA will encourage the family to make its request in writing using a reasonable accommodation request form. However, the PHA will consider the accommodation any time the family indicates that an accommodation is needed whether or not a formal written request is submitted.

## **2-II.D. VERIFICATION OF DISABILITY**

The regulatory civil rights definition for persons with disabilities is provided in Exhibit 2-1 at the end of this chapter. The definition of a person with a disability for the purpose of obtaining a reasonable accommodation is much broader than the HUD definition of disability which is used for waiting list preferences and income allowances.

Before providing an accommodation, the PHA must determine that the person meets the definition of a person with a disability, and that the accommodation will enhance the family's access to the PHA's programs and services.

If a person's disability is obvious or otherwise known to the PHA, and if the need for the requested accommodation is also readily apparent or known, no further verification will be required [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act].

If a family indicates that an accommodation is required for a disability that is not obvious or otherwise known to the PHA, the PHA must verify that the person meets the definition of a person with a disability, and that the limitations imposed by the disability require the requested accommodation.

When verifying a disability, the PHA will follow the verification policies provided in Chapter 7. All information related to a person's disability will be treated in accordance with the confidentiality policies provided in Chapter 16. In addition to the general requirements that govern all verification efforts, the following requirements apply when verifying a disability:

- Third-party verification must be obtained from an individual identified by the family who is competent to make the determination. A doctor or other medical professional, a peer support group, a non-medical service agency, or a reliable third party who is in a position to know about the individual's disability may provide verification of a disability [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act]
- The PHA must request only information that is necessary to evaluate the disability-related need for the accommodation. The PHA will not inquire about the nature or extent of any disability.
- Medical records will not be accepted or retained in the participant file.
- In the event that the PHA does receive confidential information about a person's specific diagnosis, treatment, or the nature or severity of the disability, the PHA will dispose of it. In place of the information, the PHA will note in the file that the disability and other requested information have been verified, the date the verification was received, and the name and address of the knowledgeable professional who sent the information [Notice PIH 2010-26].

**2-II.E. APPROVAL/DENIAL OF A REQUESTED ACCOMMODATION** [Joint Statement of the Departments of HUD and Justice: Reasonable Accommodations under the Fair Housing Act, Notice PIH 2010-26].

The PHA must approve a request for an accommodation if the following three conditions are met:

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

Requests for accommodations must be assessed on a case-by-case basis, taking into account factors such as the overall size of the PHA's program with respect to the number of employees, type of facilities and size of budget, type of operation including composition and structure of workforce, the nature and cost of the requested accommodation, and the availability of alternative accommodations that would effectively meet the family's disability-related needs.

Before making a determination whether to approve the request, the PHA may enter into discussion and negotiation with the family, request more information from the family, or may require the family to sign a consent form so that the PHA may verify the need for the requested accommodation.

PHA Policy

After a request for an accommodation is presented, the PHA will respond, in writing, within 14 business days.

If the PHA denies a request for an accommodation because it is not reasonable (it would impose an undue financial and administrative burden or fundamentally alter the nature of the PHA's operations), the PHA will discuss with the family whether an alternative accommodation could effectively address the family's disability-related needs without a fundamental alteration to the HCV program and without imposing an undue financial and administrative burden.

If the PHA believes that the family has failed to identify a reasonable alternative accommodation after interactive discussion and negotiation, the PHA will notify the family, in writing, of its determination within 14 business days from the date of the most recent discussion or communication with the family.

## **2-II.F. PROGRAM ACCESSIBILITY FOR PERSONS WITH HEARING OR VISION IMPAIRMENTS**

HUD regulations require the PHA to ensure that persons with disabilities related to hearing and vision have reasonable access to the PHA's programs and services [24 CFR 8.6].

At the initial point of contact with each applicant, the PHA shall inform all applicants of alternative forms of communication that can be used other than plain language paperwork.

### PHA Policy

To meet the needs of persons with hearing impairments, the State of Oregon provides The Oregon Telephone Relay Service, which is a free service that allows people using TTY's to call people who don't have a TTY. It also allows people who don't have a TTY to call someone who does. Sprint currently has the contract to provide this service for Oregon residents. For information call 1-800-676-3777. To place a relay call, phone 1-800-735-2900.

To meet the needs of persons with vision impairments, large-print and audio versions of key program documents will be made available upon request. When visual aids are used in public meetings or presentations, or in meetings with PHA staff, one-on-one assistance will be provided upon request.

Additional examples of alternative forms of communication are sign language interpretation; having material explained orally by staff; or having a third party representative (a friend, relative or advocate, named by the applicant) to receive, interpret and explain housing materials and be present at all meetings.

## **2-II.G. PHYSICAL ACCESSIBILITY**

The PHA must comply with a variety of regulations pertaining to physical accessibility, including the following:

- Notice PIH 2010-26
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

The PHA's policies concerning physical accessibility must be readily available to applicants and participants. They can be found in three key documents:

- This plan describes the key policies that govern the PHA's responsibilities with regard to physical accessibility.
- Notice PIH 2010-26 summarizes information about pertinent laws and implementing regulations related to nondiscrimination and accessibility in federally-funded housing programs.
- The PHA Plan provides information about self-evaluation, needs assessment, and transition plans.

The design, construction, or alteration of PHA facilities must conform to the Uniform Federal Accessibility Standards (UFAS). Newly-constructed facilities must be designed to be readily accessible to and usable by persons with disabilities. Alterations to existing facilities must be accessible to the maximum extent feasible, defined as not imposing an undue financial and administrative burden on the operations of the HCV program.

When issuing a voucher to a family that includes an individual with disabilities, the PHA will include a current list of available accessible units known to the PHA and will assist the family in locating an available accessible unit, if necessary.

In general, owners must permit the family to make reasonable modifications to the unit. However, the owner is not required to pay for the modification and may require that the unit be restored to its original state at the family's expense when the family moves.

## **2-II.H. DENIAL OR TERMINATION OF ASSISTANCE**

A PHA's decision to deny or terminate the assistance of a family that includes a person with disabilities is subject to consideration of reasonable accommodation [24 CFR 982.552 (2)(iv)].

When applicants with disabilities are denied assistance, the notice of denial must inform them of the PHA's informal review process and their right to request a hearing. In addition, the notice must inform applicants with disabilities of their right to request reasonable accommodations to participate in the informal hearing process.

When a participant family's assistance is terminated, the notice of termination must inform them of the PHA's informal hearing process and their right to request a hearing and reasonable accommodation.

When reviewing reasonable accommodation requests, the PHA must consider whether any mitigating circumstances can be verified to explain and overcome the problem that led to the PHA's decision to deny or terminate assistance. If a reasonable accommodation will allow the family to meet the requirements, the PHA must make the accommodation.

## **PART III: IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)**

### **2-III.A. OVERVIEW**

Language for Limited English Proficiency Persons (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HCV program. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally-assisted programs and activities may violate the prohibition under Title VI against discrimination on the basis of national origin. This part incorporates the Final Guidance to Federal Assistance Recipients Regarding Title VI Prohibition against National Origin Discrimination Affecting Limited English Proficient Persons, published January 22, 2007, in the *Federal Register*.

The PHA will take affirmative steps to communicate with people who need services or information in a language other than English. These persons will be referred to as Persons with Limited English Proficiency (LEP).

LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this administrative plan, LEP persons are HCV applicants and participants, and parents and family members of applicants and participants.

In order to determine the level of access needed by LEP persons, the PHA will balance the following four factors: (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by the Housing Choice Voucher program; (2) the frequency with which LEP persons come into contact with the program; (3) the nature and importance of the program, activity, or service provided by the program to people's lives; and (4) the resources available to the PHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the PHA.

## **2-III.B. ORAL INTERPRETATION**

The PHA will offer competent interpretation services free of charge, upon request, to the LEP person.

### PHA Policy

The PHA will utilize a language line for telephone interpreter services.

The PHA will analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. "Reasonable steps" may not be reasonable where the costs imposed substantially exceed the benefits.

Where LEP persons desire, they will be permitted to use, at their own expense, an interpreter of their own choosing, in place of or as a supplement to the free language services offered by the PHA. The interpreter may be a family member or friend.

Where feasible and possible, the PHA will train and hire bilingual staff to be available to act as interpreters and translators, will pool resources with other PHAs, and will standardize documents.

## **2-III.C. WRITTEN TRANSLATION**

Translation is the replacement of a written text from one language into an equivalent written text in another language.

### PHA Policy

In order to comply with written-translation obligations, the PHA will take the following steps:

The PHA will provide written translations of vital documents for each eligible LEP language group that constitutes 5 percent or 1,000 persons, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered. Translation of other documents, if needed, can be provided orally; or

If there are fewer than 50 persons in a language group that reaches the 5 percent trigger, the PHA does not translate vital written materials, but provides written notice in the primary language of the LEP language group of the right to receive competent oral interpretation of those written materials, free of cost.

## **2-III.D. IMPLEMENTATION PLAN**

After completing the four-factor analysis and deciding what language assistance services are appropriate, the PHA shall determine whether it is necessary to develop a written implementation plan to address the identified needs of the LEP populations it serves.

If the PHA determines that it is not necessary to develop a written implementation plan, the absence of a written plan does not obviate the underlying obligation to ensure meaningful access by LEP persons to the PHA's Housing Choice Voucher program and services.

### PHA Policy

If it is determined that the PHA serves very few LEP persons, and the PHA has very limited resources, the PHA will not develop a written LEP plan, but will consider alternative ways to articulate in a reasonable manner a plan for providing meaningful access. Entities having significant contact with LEP persons, such as schools, grassroots and faith-based organizations, community groups, and groups working with new immigrants will be contacted for input into the process.

If the PHA determines it is appropriate to develop a written LEP plan, the following five steps will be taken: (1) Identifying LEP individuals who need language assistance; (2) identifying language assistance measures; (3) training staff; (4) providing notice to LEP persons; and (5) monitoring and updating the LEP plan.



**EXHIBIT 2-1: DEFINITION OF A PERSON WITH A DISABILITY UNDER  
FEDERAL CIVIL RIGHTS LAWS [24 CFR Parts 8.3 and 100.201]**

A person with a disability, as defined under federal civil rights laws, is any person who:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual, or
- Has a record of such impairment, or
- Is regarded as having such impairment

The phrase “physical or mental impairment” includes:

- Any physiological disorder or condition, cosmetic or disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term “physical or mental impairment” includes, but is not limited to: such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

“Major life activities” includes, but is not limited to, caring for oneself, performing manual tasks, walking, seeing, hearing, breathing, learning, and/or working.

“Has a record of such impairment” means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

“Is regarded as having an impairment” is defined as having a physical or mental impairment that does not substantially limit one or more major life activities but is treated by a public entity (such as the PHA) as constituting such a limitation; has none of the impairments defined in this section but is treated by a public entity as having such an impairment; or has a physical or mental impairment that substantially limits one or more major life activities, only as a result of the attitudes of others toward that impairment.

The definition of a person with disabilities does not include:

- Current illegal drug users
- People whose alcohol use interferes with the rights of others
- Persons who objectively pose a direct threat or substantial risk of harm to others that cannot be controlled with a reasonable accommodation under the HCV program

The above definition of disability determines whether an applicant or participant is entitled to any of the protections of federal disability civil rights laws. Thus, a person who does not meet this disability is not entitled to a reasonable accommodation under federal civil rights and fair housing laws and regulations.

The HUD definition of a person with a disability is much narrower than the civil rights definition of disability. The HUD definition of a person with a disability is used for purposes of receiving the disabled family preference, the \$400 elderly/disabled household deduction, the \$480 dependent deduction, the allowance for medical expenses, or the allowance for disability assistance expenses.

The definition of a person with a disability for purposes of granting a reasonable accommodation request is much broader than the HUD definition of disability. Many people will not qualify as a disabled person under the HCV program, yet an accommodation is needed to provide equal opportunity.

## Chapter 3

### ELIGIBILITY

#### INTRODUCTION

The PHA is responsible for ensuring that every individual and family admitted to the HCV program meets all program eligibility requirements. This includes any individual approved to join the family after the family has been admitted to the program. The family must provide any information needed by the PHA to confirm eligibility and determine the level of the family's assistance.

To be eligible for the HCV program:

- The applicant family must:
  - Qualify as a family as defined by HUD and the PHA.
  - Have income at or below HUD-specified income limits.
  - Qualify on the basis of citizenship or the eligible immigrant status of family members.
  - Provide social security number information for household members as required.
  - Consent to the PHA's collection and use of family information as provided for in PHA-provided consent forms.
- The PHA must determine that the current or past behavior of household members does not include activities that are prohibited by HUD or the PHA.

This chapter contains three parts:

Part I: Definitions of Family and Household Members. This part contains HUD and PHA definitions of family and household members and explains initial and ongoing eligibility issues related to these members.

Part II: Basic Eligibility Criteria. This part discusses income eligibility, and rules regarding citizenship, social security numbers, and family consent.

Part III: Denial of Assistance. This part covers factors related to an applicant's past or current conduct (e.g. criminal activity) that can cause the PHA to deny assistance.

## **PART I: DEFINITIONS OF FAMILY AND HOUSEHOLD MEMBERS**

### **3-I.A. OVERVIEW**

Some eligibility criteria and program rules vary depending upon the composition of the family requesting assistance. In addition, some requirements apply to the family as a whole and others apply to individual persons who will live in the assisted unit. This part provides information that is needed to correctly identify family and household members, and to apply HUD's eligibility rules.

### **3-I.B. FAMILY AND HOUSEHOLD [24 CFR 982.201(c); FR Notice 02/03/12; Notice PIH 2014-20]**

The terms *family* and *household* have different meanings in the HCV program.

#### **Family**

To be eligible for assistance, an applicant must qualify as a family. *Family* as defined by HUD includes, but is not limited to the following, regardless actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person; or a group of persons residing together. Such group includes, but is not limited to a family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family), an elderly family, a near-elderly family, a disabled family, a displaced family, or the remaining member of a tenant family. The PHA has the discretion to determine if any other group of persons qualifies as a family.

*Gender Identity* means actual or perceived gender characteristics.

*Sexual orientation* means homosexuality, heterosexuality, or bisexuality.

#### **PHA Policy**

A family also includes two or more individuals who are not related by blood, marriage, adoption, or other operation of law but who either can demonstrate that they have lived together previously or certify that each individual's income and other resources will be available to meet the needs of the family.

Each family must identify the individuals to be included in the family at the time of application, and must notify the PHA if the family's composition changes.

#### **Household**

*Household* is a broader term that includes additional people who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

### **3-I.C. FAMILY BREAKUP AND REMAINING MEMBER OF TENANT FAMILY**

#### **Family Breakup [24 CFR 982.315]**

Except under the following conditions, the PHA has discretion to determine which members of an assisted family continue to receive assistance if the family breaks up:

- If the family breakup results from an occurrence of domestic violence, dating violence, sexual assault, or stalking, the PHA must ensure that the victim retains assistance. (For documentation requirements and policies related to domestic violence, dating violence, sexual assault, and stalking, see section 16-IX.D of this plan.)
- If a court determines the disposition of property between members of the assisted family, the PHA is bound by the court's determination of which family members continue to receive assistance.

#### PHA Policy

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may make a new application with a new application date if the waiting list is open.

If a family breaks up into two otherwise eligible families while receiving assistance, only one of the new families will continue to be assisted.

In the absence of a judicial decision or an agreement among the original family members, the PHA will determine which family will retain their placement on the waiting list or continue to receive assistance. In making its determination, the PHA will take into consideration the following factors: (1) the interest of any minor children, including custody arrangements; (2) the interest of any ill, elderly, or disabled family members; (3) the interest of any family member who is the victim of domestic violence, dating violence, sexual assault, or stalking, including a family member who was forced to leave an assisted unit as a result of such actual or threatened abuse; (4) any possible risks to family members as a result of criminal activity; (5) who was the head of household at the time of application; (6) in the case of participant families, which family members will continue to reside in the assisted unit; and (7) the recommendations of social service professionals

#### **Remaining Member of a Tenant Family [24 CFR 5.403]**

The HUD definition of family includes the *remaining member of a tenant family*, which is a member of an assisted family who remains in the unit when other members of the family have left the unit. Household members such as live-in aides, foster children, and foster adults do not qualify as remaining members of a family.

If dependents are the only "remaining members of a tenant family" and there is no family member able to assume the responsibilities of the head of household, see Chapter 6, Section 6-I.B, for the policy on "Caretakers for a Child."

### **3-I.D. HEAD OF HOUSEHOLD [24 CFR 5.504(b)]**

*Head of household* means the adult member of the family who is considered the head for purposes of determining income eligibility and rent. The head of household is responsible for ensuring that the family fulfills all of its responsibilities under the program, alone or in conjunction with a cohead or spouse.

#### PHA Policy

The family may designate any qualified family member as the head of household.

The head of household must have the legal capacity to enter into a lease under state and local law. A minor who is emancipated under state law may be designated as head of household.

### **3-I.E. SPOUSE, COHEAD, AND OTHER ADULT**

A family may have a spouse or cohead, but not both [HUD-50058 IB, p. 13].

*Spouse* means the marriage partner of the head of household.

#### PHA Policy

A *marriage partner* includes the partner in a marriage as defined in state law. The term “spouse” does not apply to friends, roommates, or significant others who are not marriage partners. A minor who is emancipated under state law may be designated as a spouse.

A *cohead* is an individual in the household who is equally responsible with the head of household for ensuring that the family fulfills all of its responsibilities under the program, but who is not a spouse. A family can have only one cohead.

#### PHA Policy

Minors who are emancipated under state law may be designated as a cohead.

*Other adult* means a family member, other than the head, spouse, or cohead, who is 18 years of age or older. Foster adults and live-in aides are not considered other adults.

### **3-I.F. DEPENDENT [24 CFR 5.603]**

A *dependent* is a family member who is under 18 years of age or a person of any age who is a person with a disability or a full-time student, except that the following persons can never be dependents: the head of household, spouse, cohead, foster children/adults and live-in aides. Identifying each dependent in the family is important because each dependent qualifies the family for a dependent allowance as described in Chapter 6.

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

##### PHA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 51 percent or more of the time.

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

### **3-I.G. FULL-TIME STUDENT [24 CFR 5.603; HCV GB, p. 5-29]**

A *full-time student* (FTS) is a person who is attending school or vocational training on a full-time basis. The time commitment or subject load that is needed to be full-time is defined by the educational institution.

Identifying each FTS is important because: (1) each family member that is an FTS, other than the head, spouse, or cohead, qualifies the family for a dependent allowance, and (2) the earned income of such an FTS is treated differently from the income of other family members.

### **3-I.H. ELDERLY AND NEAR-ELDERLY PERSONS, AND ELDERLY FAMILY [24 CFR 5.100 and 5.403, FR Notice 02/03/12]**

#### **Elderly Persons**

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

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

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

#### **Elderly Family**

An *elderly family* is one in which the head, spouse, cohead, or sole member is an elderly person. Identifying elderly families is important because elderly families qualify for the elderly family allowance as described in Chapter 6.

### **3-I.I. PERSONS WITH DISABILITIES AND DISABLED FAMILY [24 CFR 5.403, FR Notice 02/03/12]**

#### **Persons with Disabilities**

Under the HCV program, special rules apply to persons with disabilities and to any family whose head, spouse, or cohead is a person with disabilities. The technical definitions of individual with handicaps and persons with disabilities are provided in Exhibit 3-1 at the end of this chapter. These definitions are used for a number of purposes including ensuring that persons with disabilities are not discriminated against based upon disability.

As discussed in Chapter 2, the PHA must make all aspects of the HCV program accessible to persons with disabilities and consider reasonable accommodations requested based upon a person's disability.

#### **Disabled Family**

A *disabled family* is one in which the head, spouse, or cohead is a person with disabilities. Identifying disabled families is important because these families qualify for the disabled family allowance as described in Chapter 6.

Even though persons with drug or alcohol dependencies are considered persons with disabilities, this does not prevent the PHA from denying assistance for reasons related to alcohol and drug abuse in accordance with the policies found in Part III of this chapter, or from terminating assistance in accordance with the policies in Chapter 12.

### **3-I.J. GUESTS [24 CFR 5.100]**

A *guest* is a person temporarily staying in the unit with the consent of a member of the household who has expressed or implied authority to so consent.

#### PHA Policy

A guest can remain in the assisted unit no longer than 14 consecutive days or a total of 30 cumulative calendar days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 51 percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure is expected to last 40 consecutive days). An exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

A guest that cannot provide documentation of residency at another address will be considered an unauthorized occupant. Use of the unit address as the guest's current residence for any purpose will be considered evidence that the guest is an unauthorized occupant.

Students of institutions of higher education who were part of the family but who now live away from home and are not considered members of the household may visit for up to 120 days per year without being considered a member of the household.

### **3-I.K. FOSTER CHILDREN AND FOSTER ADULTS**

*Foster adults* are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone [24 CFR 5.609].

The term *foster child* is not specifically defined by the regulations.

Foster children and foster adults who are living with an applicant or who have been approved by the PHA to live with a participant family are considered household members but not family members. The income of foster children/adults is not counted in family annual income, and foster children/adults do not qualify for a dependent deduction [24 CFR 5.603; HUD-50058 IB, p. 13].

#### PHA Policy

A *foster child* is a child that is in the legal guardianship or custody of a state, county, or private adoption or foster care agency, yet is cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in a violation of HQS space standards according to 24 CFR 982.401.

Children that are temporarily absent from the home as a result of placement in foster care are discussed in Section 3-I.L.

### **3-I.L. ABSENT FAMILY MEMBERS**

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

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

#### PHA Policy

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

#### **Absent Students**

#### PHA Policy

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

### **Absences Due to Placement in Foster Care [24 CFR 5.403]**

Children temporarily absent from the home as a result of placement in foster care are considered members of the family.

#### PHA Policy

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

### **Absent Head, Spouse, or Cohead**

#### PHA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

### **Family Members Permanently Confined for Medical Reasons [HCV GB, p. 5-22]**

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

#### PHA Policy

The PHA will request verification of the family member's permanent absence from a responsible medical professional. If the responsible medical professional cannot provide a determination, the person will be considered temporarily absent. If the family certifies that the family member is confined on a permanent basis, they may present, and the PHA will consider, any additional documentation or evidence.

### **Return of Permanently Absent Family Members**

#### PHA Policy

The family must request PHA approval for the return of any adult family members that the PHA previously determined to be permanently absent. The individual is subject to the eligibility and screening requirements discussed elsewhere in this chapter.

### **3-I.M. LIVE-IN AIDE**

A *live-in aide* is a person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who: (1) is determined to be essential to the care and well-being of the persons, (2) is not obligated for the support of the persons, and (3) would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403].

The PHA must approve a live-in aide if needed as a reasonable accommodation in accordance with 24 CFR 8, to make the program accessible to and usable by the family member with disabilities.

The income of a live-in aide is not counted in the calculation of annual income for the family [24 CFR 5.609(b)]. Relatives may be approved as live-in aides if they meet all of the criteria defining a live-in aide. Because live-in aides are not *family* members, a relative who serves as a live-in aide would not be considered a remaining member of a tenant family.

#### PHA Policy

A family's request for a live-in aide must be made in writing. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or case worker, that the live-in aide is essential for the care and well-being of the elderly, near-elderly, or disabled family member. For continued approval, the family must submit a new, written request-subject to PHA verification-at each annual reexamination.

In addition, the family and live-in aide will be required to submit a certification stating that the live-in aide is (1) not obligated for the support of the person(s) needing the care, and (2) would not be living in the unit except to provide the necessary supportive services.

The PHA will not approve a particular person as a live-in aide, and may withdraw such approval if [24 CFR 982.316(b)]:

The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

The person commits drug-related criminal activity or violent criminal activity; or

The person currently owes rent or other amounts to the PHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act.

The PHA will notify the family of its decision in writing within 14 business days of receiving a request for a live-in aide, including all required documentation related to the request.

## PART II: BASIC ELIGIBILITY CRITERIA

### 3-II.A. INCOME ELIGIBILITY AND TARGETING

#### Income Limits

HUD establishes income limits for all areas of the country and publishes them annually in the *Federal Register*. They are based upon estimates of median family income with adjustments for family size. The income limits are used to determine eligibility for the program and for income targeting purposes as discussed in this section.

#### Definitions of the Income Limits [24 CFR 5.603(b)]

*Low-income family.* A family whose annual income does not exceed 80 percent of the median income for the area, adjusted for family size.

*Very low-income family.* A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

*Extremely low-income family.* A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher.

Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

#### Using Income Limits for Eligibility [24 CFR 982.201]

Income limits are used for eligibility only at admission. Income eligibility is determined by comparing the annual income of an applicant to the applicable income limit for their family size. In order to be income eligible, an applicant family must be one of the following:

- A *very low-income* family
- A *low-income* family that has been "continuously assisted" under the 1937 Housing Act. A family is considered to be continuously assisted if the family is already receiving assistance under any 1937 Housing Act program at the time the family is admitted to the HCV program [24 CFR 982.4]

#### PHA Policy

The PHA will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were selected from the PHA's waiting list.

- A low-income family that qualifies for voucher assistance as a non-purchasing household living in HOPE 1 (public housing homeownership), HOPE 2 (multifamily housing homeownership) developments, or other HUD-assisted multifamily homeownership programs covered by 24 CFR 248.173
- A low-income or moderate-income family that is displaced as a result of the prepayment of a mortgage or voluntary termination of a mortgage insurance contract on eligible low-income housing as defined in 24 CFR 248.101

HUD permits the PHA to establish additional categories of low-income families that may be determined eligible. The additional categories must be consistent with the PHA plan and the consolidated plans for local governments within the PHA's jurisdiction.

PHA Policy

The PHA has not established any additional categories of eligible low-income families.

**Using Income Limits for Targeting [24 CFR 982.201]**

At least 75 percent of the families admitted to the PHA's program during a PHA fiscal year must be extremely low-income families. HUD may approve exceptions to this requirement if the PHA demonstrates that it has made all required efforts, but has been unable to attract an adequate number of qualified extremely low-income families.

Families continuously assisted under the 1937 Housing Act and families living in eligible low-income housing that are displaced as a result of prepayment of a mortgage or voluntary termination of a mortgage insurance contract are not counted for income targeting purposes.

### **3-II.B. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5, Subpart E]**

Housing assistance is available only to individuals who are U.S. citizens, U.S. nationals (herein referred to as citizens and nationals), or noncitizens that have eligible immigration status. At least one family member must be a citizen, national, or noncitizen with eligible immigration status in order for the family to qualify for any level of assistance.

All applicant families must be notified of the requirement to submit evidence of their citizenship status when they apply. Where feasible, and in accordance with the PHA's Limited English Proficiency Plan, the notice must be in a language that is understood by the individual if the individual is not proficient in English.

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

HUD requires each family member to declare whether the individual is a citizen, a national, or an eligible noncitizen, except those members who elect not to contend that they have eligible immigration status. Those who elect not to contend their status are considered to be ineligible noncitizens. For citizens, nationals and eligible noncitizens the declaration must be signed personally by the head, spouse, cohead, and any other family member 18 or older, and by a parent or guardian for minors. The family must identify in writing any family members who elect not to contend their immigration status (see Ineligible Noncitizens below). No declaration is required for live-in aides, foster children, or foster adults.

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

In general, citizens and nationals are required to submit only a signed declaration as verification of their status. However, HUD regulations permit the PHA to request additional documentation of their status, such as a passport.

#### **PHA Policy**

Family members who declare citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual's declaration may not be accurate.

#### ***Eligible Noncitizens***

In addition to providing a signed declaration, those declaring eligible noncitizen status must sign a verification consent form and cooperate with PHA efforts to verify their immigration status as described in Chapter 7. The documentation required for establishing eligible noncitizen status varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, the person's age, and the date on which the family began receiving HUD-funded assistance.

Lawful residents of the Marshall Islands, the Federated States of Micronesia, and Palau, together known as the Freely Associated States, or FAS, are eligible for housing assistance under section 141 of the Compacts of Free Association between the U.S. Government and the Governments of the FAS [Public Law 106-504].

### ***Ineligible Noncitizens***

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

Providing housing assistance to noncitizen students is prohibited [24 CFR 5.522]. This prohibition extends to the noncitizen spouse of a noncitizen student as well as to minor children who accompany or follow to join the noncitizen student. Such prohibition does not extend to the citizen spouse of a noncitizen student or to the children of the citizen spouse and noncitizen student. Such a family is eligible for prorated assistance as a mixed family.

### **Mixed Families**

A family is eligible for assistance as long as at least one member is a citizen, national, or eligible noncitizen. Families that include eligible and ineligible individuals are considered *mixed families*. Such families will be given notice that their assistance will be prorated, and that they may request a hearing if they contest this determination. See Chapter 6 for a discussion of how rents are prorated, and Chapter 16 for a discussion of informal hearing procedures.

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

A PHA may elect to provide assistance to a family before the verification of the eligibility of the individual or one family member [24 CFR 5.512(b)]. Otherwise, no individual or family may be assisted prior to the affirmative establishment by the PHA that the individual or at least one family member is eligible. Verification of eligibility for this purpose occurs when the individual or family members have submitted documentation to the PHA in accordance with program requirements [24 CFR 5.512(a)].

#### PHA Policy

The PHA will not provide assistance to a family before the verification of at least one family member.

When a PHA determines that an applicant family does not include any citizens, nationals, or eligible noncitizens, following the verification process, the family will be sent a written notice within 14 business days of the determination.

The notice will explain the reasons for the denial of assistance, that the family may be eligible for proration of assistance, and will advise the family of its right to request an appeal to the United States Citizenship and Immigration Services (USCIS), or to request an informal hearing with the PHA. The informal hearing with the PHA may be requested in lieu of the USCIS appeal, or at the conclusion of the USCIS appeal process. The notice must also inform the applicant family that assistance may not be delayed until the conclusion of the USCIS appeal process, but that it may be delayed pending the completion of the informal hearing process.

Informal hearing procedures are contained in Chapter 16.

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

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

If an individual qualifies for a time extension for the submission of required documents, the PHA must grant such an extension for no more than 30 days [24 CFR 5.508(h)].

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

#### PHA Policy

The PHA will verify the citizenship status of applicants at the time other eligibility factors are determined.

### **3-II.C. SOCIAL SECURITY NUMBERS [24 CFR 5.216 and 5.218, Notice PIH 2012-10]**

The applicant and all members of the applicant's household must disclose the complete and accurate social security number (SSN) assigned to each household member, and the documentation necessary to verify each SSN. If a child under age 6 has been added to an applicant family within 6 months prior to voucher issuance, an otherwise eligible family may be admitted to the program and must disclose and document the child's SSN within 90 days of the effective date of the initial HAP contract. A detailed discussion of acceptable documentation is provided in Chapter 7.

*Note:* These requirements do not apply to noncitizens who do not contend eligible immigration status.

In addition, each participant who has not previously disclosed an SSN, has previously disclosed an SSN that HUD or the SSA determined was invalid, or has been issued a new SSN must submit their complete and accurate SSN and the documentation required to verify the SSN at the time of the next interim or annual reexamination or recertification. Participants age 62 or older as of January 31, 2010, whose determination of eligibility was begun before January 31, 2010, are exempt from this requirement and remain exempt even if they move to a new assisted unit.

The PHA must deny assistance to an applicant family if they do not meet the SSN disclosure and documentation requirements contained in 24 CFR 5.216.

**3-II.D. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 5.230;  
HCV GB, p. 5-13]**

HUD requires each adult family member, and the head of household, spouse, or cohead, regardless of age, to sign form HUD-9886, Authorization for the Release of Information/Privacy Act Notice, and other consent forms as needed to collect information relevant to the family's eligibility and level of assistance. Chapter 7 provides detailed information concerning the consent forms and verification requirements.

The PHA must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information in accordance with 24 CFR 5, Subparts B and F [24 CFR 982.552(b)(3)].

### **3-II.E. STUDENTS ENROLLED IN INSTITUTIONS OF HIGHER EDUCATION [24 CFR 5.612, FR Notice 4/10/06]**

Section 327 of Public Law 109-115 and the implementing regulation at 24 CFR 5.612 established new restrictions on the eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

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

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

#### **Definitions**

In determining whether and how the new eligibility restrictions apply to a student, the PHA will rely on the following definitions [FR 4/10/06, p. 18148].

#### ***Dependent Child***

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

## ***Independent Student***

### PHA Policy

The PHA will consider a student “independent” from his or her parents and the parents’ income will not be considered when determining the student’s eligibility if the following four criteria are all met:

1. The individual is of legal contract age under state law.
2. The individual has established a household separate from his/her parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education’s definition of independent student.

To be considered an *independent student* according to the Department of Education, a student must meet one or more of the following criteria:

Be at least 24 years old by December 31 of the award year for which aid is sought

Be an orphan or a ward of the court through the age of 18

Be a veteran of the U.S. Armed Forces

Have one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent)

Be a graduate or professional student

Be married

3. The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations, as demonstrated on the parents’ most recent tax forms.
4. The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support and must be submitted even if no assistance is being provided.

The PHA will verify that a student meets the above criteria in accordance with the policies in Section 7-II.E.

### ***Institution of Higher Education***

The PHA will use the statutory definition under section 102 of the Higher Education Act of 1965 to determine whether a student is attending an *institution of higher education* (see Exhibit 3-2).

### ***Parents***

#### PHA Policy

For purposes of student eligibility restrictions, the definition of *parents* includes biological or adoptive parents, stepparents (as long as they are currently married to the biological or adoptive parent), and guardians (e.g., grandparents, aunt/uncle, godparents, etc).

### ***Person with Disabilities***

The PHA will use the statutory definition under section 3(b)(3)(E) of the 1937 Act to determine whether a student is a *person with disabilities* (see Exhibit 3-1).

### ***Veteran***

#### PHA Policy

A *veteran* is a person who served in the active military, naval, or air service and who was discharged or released from such service under conditions other than dishonorable.

### **Determining Student Eligibility**

If a student is applying for assistance on his/her own, apart from his/her parents, the PHA must determine whether the student is subject to the eligibility restrictions contained in 24 CFR 5.612. If the student is subject to those restrictions, the PHA must ensure that: (1) the student is individually eligible for the program, (2) either the student is independent from his/her parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.

#### PHA Policy

For any student who is subject to the 5.612 restrictions, the PHA will:

Follow its usual policies in determining whether the student individually and the student's "family" collectively are eligible for the program

Determine whether the student is independent from his/her parents in accordance with the definition of *independent student* in this section

Follow the policies below, if applicable, in determining whether the student's parents are income eligible for the program

If the PHA determines that the student, the student's parents (if applicable), or the student's "family" is not eligible, the PHA will send a notice of denial in accordance with the policies in Section 3-III.F, and the applicant family will have the right to request an informal review in accordance with the policies in Section 16-III.B.

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

### PHA Policy

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

If the student's parents are married and living together, the PHA will obtain a joint income declaration and certification of joint income from the parents.

If the student's parent is widowed or single, the PHA will obtain an income declaration and certification of income from that parent.

If the student's parents are divorced or separated, the PHA will obtain an income declaration and certification of income from each parent.

If the student has been living with one of his/her parents and has not had contact with or does not know where to contact his/her other parent, the PHA will require the student to submit a certification under penalty of perjury describing the circumstances and stating that the student does not receive financial assistance from the other parent. The PHA will then obtain an income declaration and certification of income from the parent with whom the student has been living or had contact.

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



## **PART III: DENIAL OF ASSISTANCE**

### **3-III.A. OVERVIEW**

A family that does not meet the eligibility criteria discussed in Parts I and II, must be denied assistance. In this section we will discuss other situations and circumstances in which denial of assistance is mandatory for the PHA, and those in which denial of assistance is optional for the PHA.

#### **Forms of Denial [24 CFR 982.552(a)(2); HCV GB, p. 5-35]**

Denial of assistance includes any of the following:

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

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

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

- Age, disability, race, color, religion, sex, or national origin (See Chapter 2 for additional information about fair housing and equal opportunity requirements.)
- Where a family lives prior to admission to the program
- Where the family will live with assistance under the program. Although eligibility is not affected by where the family will live, there may be restrictions on the family's ability to move outside the PHA's jurisdiction under portability. (See Chapter 10.)
- Whether members of the family are unwed parents, recipients of public assistance, or children born out of wedlock
- Whether the family includes children
- Whether a family decides to participate in a family self-sufficiency program
- Whether or not a qualified applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking if the applicant is otherwise qualified for assistance (See section 3-III.G.)

### **3-III.B. MANDATORY DENIAL OF ASSISTANCE [24 CFR 982.553(a)]**

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

- Any member of the household has been evicted from federally-assisted housing in the last 3 years for drug-related criminal activity. HUD permits, but does not require, the PHA to admit an otherwise-eligible family if the household member has completed a PHA-approved drug rehabilitation program or the circumstances which led to eviction no longer exist (e.g., the person involved in the criminal activity no longer lives in the household).

#### PHA Policy

The PHA will admit an otherwise-eligible family who was evicted from federally-assisted housing within the past 3 years for drug-related criminal activity, if the PHA is able to verify that the household member who engaged in the criminal activity has completed a supervised drug rehabilitation program approved by the PHA, or the person who committed the crime, is no longer living in the household.

- The PHA determines that any household member is currently engaged in the use of illegal drugs.

#### PHA Policy

*Currently engaged in* is defined as any use of illegal drugs during the previous 12 months, unless the applicant is currently enrolled in and fully compliant with treatment.

- The PHA has reasonable cause to believe that any household member's current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

#### PHA Policy

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

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

### **3-III.C. OTHER PERMITTED REASONS FOR DENIAL OF ASSISTANCE**

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

#### **Criminal Activity [24 CFR 982.553]**

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

##### PHA Policy

If any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past three years, the family will be denied assistance.

*Drug-related criminal activity*, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100].

*Violent criminal activity*, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100].

Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

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

*Immediate vicinity* means within a three-block radius of the premises.

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

Any conviction for drug-related or violent criminal activity within the past 3 years.

Any arrests for drug-related or violent criminal activity within the past 3 years.

An arrest must be substantiated by supporting documentation of the criminal activity. A conviction will be given more weight than an arrest for such activity.

Any record of eviction from public or privately-owned housing as a result of criminal activity within the past 3 years.

In making its decision to deny assistance, the PHA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, the PHA may, on a case-by-case basis, decide not to deny assistance.

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

HUD authorizes the PHA to deny assistance based on the family's previous behavior in assisted housing:

### PHA Policy

The PHA **will not** deny assistance to an otherwise eligible family because the family previously failed to meet its obligations under the Family Self-Sufficiency (FSS) program.

The PHA **will** deny assistance to an applicant family if:

The family does not provide information that the PHA or HUD determines is necessary in the administration of the program.

The family does not provide complete and true information to the PHA.

Any family member has been evicted from federally-assisted housing in the last 12 months.

Any PHA has ever terminated assistance under the program for any member of the family.

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

The family owes rent or other amounts to any PHA in connection with Section 8 or other public housing assistance under the 1937 Act, unless the family repays the full amount of the debt prior to being selected from the waiting list.

If the family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease, unless the family repays the full amount of the debt prior to being selected from the waiting list.

The family has breached the terms of a repayment agreement entered into with the PHA, unless the family repays the full amount of the debt covered in the repayment agreement prior to being selected from the waiting list.

A family member has engaged in or threatened violent or abusive behavior toward PHA personnel.

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

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

In making its decision to deny assistance, the PHA will consider the factors discussed in Section 3-III.E. Upon consideration of such factors, the PHA may, on a case-by-case basis, decide not to deny assistance.

### **3-III.D. SCREENING**

#### **Screening for Eligibility**

PHAs are authorized to obtain criminal conviction records from law enforcement agencies to screen applicants for admission to the HCV program. This authority assists the PHA in complying with HUD requirements and PHA policies to deny assistance to applicants who are engaging in or have engaged in certain criminal activities. In order to obtain access to the records the PHA must require every applicant family to submit a consent form signed by each adult household member [24 CFR 5.903].

##### PHA Policy

The PHA will perform a criminal background check through local law enforcement for every adult household member.

If the results of the criminal background check indicate that there may be past criminal activity, but the results are inconclusive, the PHA may request a fingerprint card and, if so, will request information from the National Crime Information Center (NCIC).

PHAs are required to perform criminal background checks necessary to determine whether any household member is subject to a lifetime registration requirement under a state sex offender program in the state where the housing is located, as well as in any other state where a household member is known to have resided [24 CFR 982.553(a)(2)(i)].

##### PHA Policy

The PHA will use the Dru Sjodin National Sex Offender database to screen applicants for admission.

Additionally, PHAs must ask whether the applicant, or any member of the applicant's household, is subject to a lifetime registered sex offender registration requirement in any state [Notice PIH 2012-28].

If the PHA proposes to deny assistance based on a criminal record or on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the applicant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to a denial of admission. [24 CFR 5.903(f) and 5.905(d)].

## **Screening for Suitability as a Tenant [24 CFR 982.307]**

The PHA has no liability or responsibility to the owner for the family's behavior or suitability for tenancy. The PHA has the authority to conduct additional screening to determine whether an applicant is likely to be a suitable tenant.

### PHA Policy

The PHA will not conduct additional screening to determine an applicant family's suitability for tenancy.

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

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

The PHA may not disclose to the owner any confidential information provided to the PHA by the family in response to a PHA request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(a)(4)].

### PHA Policy

The PHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the initial HQS inspection or before. The PHA will not provide any additional information to the owner, such as tenancy history or criminal history.

### **3-III.E. CRITERIA FOR DECIDING TO DENY ASSISTANCE**

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

##### PHA Policy

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

*Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

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

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

HUD authorizes the PHA to consider all relevant circumstances when deciding whether to deny assistance based on a family's past history except in the situations for which denial of assistance is mandatory (see Section 3-III.B).

##### PHA Policy

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

The seriousness of the case, especially with respect to how it would affect other residents

The effects that denial of assistance may have on other members of the family who were not involved in the action or failure

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities, or (as discussed further in section 3-III.G) a victim of domestic violence, dating violence, sexual assault, or stalking

The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

The PHA will require the applicant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

Arrest records alone do not constitute sufficient evidence for denial. The fact that an individual has been arrested for a crime does not mean that the individual engaged in the criminal activity. Therefore, adverse housing decisions based upon criminal activity should be supported by sufficient evidence that the individual engaged in such activity.

## **Removal of a Family Member's Name from the Application**

Should the PHA's screening process reveal that an applicant's household includes an individual subject to state lifetime registered sex offender registration, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must deny admission to the family [Notice PIH 2012-28].

For other criminal activity, the PHA may permit the family to exclude the culpable family members as a condition of eligibility. [24 CFR 982.552(c)(2)(ii)].

### PHA Policy

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

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

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

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

### PHA Policy

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

### **3-III.F. NOTICE OF ELIGIBILITY OR DENIAL**

If the family is eligible for assistance, the PHA will notify the family in writing and schedule a tenant briefing, as discussed in Chapter 5.

If the PHA determines that a family is not eligible for the program for any reason, the family must be notified promptly. The notice must describe: (1) the reasons for which assistance has been denied, (2) the family's right to an informal review, and (3) the process for obtaining the informal review [24 CFR 982.554 (a)]. See Chapter 16, for informal review policies and procedures.

#### PHA Policy

The family will be notified of a decision to deny assistance in writing within 14 business days of the determination.

If a PHA uses a criminal record or sex offender registration information obtained under 24 CFR 5, Subpart J, as the basis of a denial, a copy of the record must precede the notice to deny, with an opportunity for the applicant to dispute the accuracy and relevance of the information before the PHA can move to deny the application. In addition, a copy of the record must be provided to the subject of the record [24 CFR 5.903(f) and 5.905(d)]. The PHA must give the family an opportunity to dispute the accuracy and relevance of that record, in the informal review process in accordance with program requirements [24 CFR 982.553(d)].

#### PHA Policy

If based on a criminal record or sex offender registration information, an applicant family appears to be ineligible the PHA will notify the family in writing of the proposed denial and provide a copy of the record to the applicant and to the subject of the record. The family will be given 14 business days to dispute the accuracy and relevance of the information. If the family does not contact the PHA to dispute the information within that 14-day period, the denial of admission will stand. A family that does not exercise their right to dispute the accuracy of the information prior to issuance of the official denial letter will still be given the opportunity to do so as part of the informal review process.

Notice requirements related to denying assistance to noncitizens are contained in Section 3-II.B.

Notice policies related to denying admission to applicants who may be victims of domestic violence, dating violence, sexual assault or stalking are contained in Section 3-III.G.

### **3-III.G. PROHIBITION AGAINST DENIAL OF ASSISTANCE TO VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING**

The Violence against Women Act of 2013 (VAWA) and the HUD regulation at 24 CFR 5.2005(b) prohibit PHAs from denying an applicant admission to the HCV program “on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault or stalking, if the applicant otherwise qualifies for assistance or admission.”

Definitions of key terms used in VAWA are provided in section 16-IX of this plan, where general VAWA requirements and policies pertaining to notification, documentation, and confidentiality are also located.

#### **Notification**

VAWA 2013 expanded notification requirements to include the obligation for PHAs to provide applicants who are denied assistance with a notice of rights and the form HUD-50066 at the time the applicant is denied.

#### PHA Policy

The PHA acknowledges that a victim of domestic violence, dating violence, sexual assault, or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to an apartment, a prior arrest record) that would warrant denial under the PHA’s policies. Therefore, if the PHA makes a determination to deny assistance to an applicant family, the PHA will include in its notice of denial the VAWA information described in section 16-IX.C of this plan as well as including a copy of the form HUD-50066. The PHA will request in writing that an applicant wishing to claim protection under VAWA notify the PHA within 14 business days.

## **Documentation**

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

#### PHA Policy

If an applicant claims the protection against denial of assistance that VAWA provides to victims of domestic violence, dating violence, sexual assault or stalking, the PHA will request in writing that the applicant provide documentation supporting the claim in accordance with section 16-IX.D of this plan.

### ***Perpetrator Documentation***

#### PHA Policy

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

A signed statement (1) requesting that the perpetrator be removed from the application and (2) certifying that the perpetrator will not be permitted to visit or to stay as a guest in the assisted unit

Documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment. The documentation must be signed by an employee or agent of a domestic violence service provider or by a medical or other knowledgeable professional from whom the perpetrator has sought or is receiving assistance in addressing the abuse. The signer must attest under penalty of perjury to his or her belief that the rehabilitation was successfully completed or is progressing successfully. The victim and perpetrator must also sign or attest to the documentation.

## EXHIBIT 3-1: DETAILED DEFINITIONS RELATED TO DISABILITIES

### Person with Disabilities [24 CFR 5.403]

The term *person with disabilities* means a person who has any of the following types of conditions:

- Has a disability, as defined in 42 U.S.C. Section 423(d)(1)(A), which reads:

Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; *or*

In the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity, requiring skills or ability comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time.

- Has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C.15002(8)], which defines developmental disability in functional terms as follows:

#### **(A) In General**

The term “developmental disability” means a severe, chronic disability of an individual that:

- (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
- (ii) is manifested before the individual attains age 22;
- (iii) is likely to continue indefinitely;
- (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity: (I) Self-care, (II) Receptive and expressive language, (III) Learning, (IV) Mobility, (V) Self-direction, (VI) Capacity for independent living, (VII) Economic self-sufficiency; and
- (v) reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

## **(B) Infants and Young Children**

An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.

- Has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently, and is of such a nature that the ability to live independently could be improved by more suitable housing conditions.

People with the acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for AIDS are not excluded from this definition.

A person whose disability is based solely on any drug or alcohol dependence does not qualify as a person with disabilities for the purposes of this program.

For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term person with disabilities refers to an individual with handicaps.

## **Individual with Handicaps [24 CFR 8.3]**

*Individual with handicaps* means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such an impairment; or is regarded as having such an impairment. The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others. As used in this definition, the phrase:

(1) Physical or mental impairment includes:

- (a) Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; genito-urinary; hemic and lymphatic; skin; and endocrine; or
- (b) Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities. The term physical or mental impairment includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, mental retardation, emotional illness, drug addiction and alcoholism.

(2) *Major life activities* means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

(3) Has a record of such an impairment means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

(4) *Is regarded as having an impairment* means:

- (a) Has a physical or mental impairment that does not substantially limit one or more major life activities but that is treated by a recipient as constituting such a limitation;
- (b) Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or
- (c) Has none of the impairments defined in paragraph (1) of this section but is treated by a recipient as having such an impairment.



**EXHIBIT 3-2: DEFINITION OF INSTITUTION OF HIGHER EDUCATION**  
**[20 U.S.C. 1001 and 1002]**

**Eligibility of Students for Assisted Housing Under Section 8 of the U.S. Housing Act of 1937; Supplementary Guidance; Notice [Federal Register, April 10, 2006]**

*Institution of Higher Education* shall have the meaning given this term in the Higher Education Act of 1965 in 20 U.S.C. 1001 and 1002.

*Definition of “Institution of Higher Education” From 20 U.S.C. 1001*

- (a) Institution of higher education. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term “institution of higher education” means an educational institution in any State that
- (1) Admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate;
  - (2) Is legally authorized within such State to provide a program of education beyond secondary education;
  - (3) Provides an educational program for which the institution awards a bachelor’s degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree;
  - (4) Is a public or other nonprofit institution; and
  - (5) Is accredited by a nationally recognized accrediting agency or association, or if not so accredited, is an institution that has been granted preaccreditation status by such an agency or association that has been recognized by the Secretary for the granting of preaccreditation status, and the Secretary has determined that there is satisfactory assurance that the institution will meet the accreditation standards of such an agency or association within a reasonable time.
- (b) Additional institutions included. For purposes of this chapter, other than subchapter IV and part C of subchapter I of chapter 34 of Title 42, the term “institution of higher education” also includes—
- (1) Any school that provides not less than a 1-year program of training to prepare students for gainful employment in a recognized occupation and that meets the provision of paragraphs (1), (2), (4), and (5) of subsection (a) of this section; and
  - (2) A public or nonprofit private educational institution in any State that, in lieu of the requirement in subsection (a)(1) of this section, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.
- (c) List of accrediting agencies. For purposes of this section and section 1002 of this title, the Secretary shall publish a list of nationally recognized accrediting agencies or associations that the Secretary determines, pursuant to subpart 2 of part G of subchapter IV of this chapter, to be reliable authority as to the quality of the education or training offered.

*Definition of “Institution of Higher Education” From 20 U.S.C. 1002*

- (a) Definition of institution of higher education for purposes of student assistance programs
- (1) Inclusion of additional institutions. Subject to paragraphs (2) through (4) of this subsection, the term “institution of higher education” for purposes of subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 includes, in addition to the institutions covered by the definition in section 1001 of this title—
- (A) A proprietary institution of higher education (as defined in subsection (b) of this section);
- (B) A postsecondary vocational institution (as defined in subsection (c) of this section); and
- (C) Only for the purposes of part B of subchapter IV of this chapter, an institution outside the United States that is comparable to an institution of higher education as defined in section 1001 of this title and that has been approved by the Secretary for the purpose of part B of subchapter IV of this chapter.
- (2) Institutions outside the United States
- (A) In general. For the purpose of qualifying as an institution under paragraph (1)(C), the Secretary shall establish criteria by regulation for the approval of institutions outside the United States and for the determination that such institutions are comparable to an institution of higher education as defined in section 1001 of this title (except that a graduate medical school, or a veterinary school, located outside the United States shall not be required to meet the requirements of section 1001 (a)(4) of this title). Such criteria shall include a requirement that a student attending such school outside the United States is ineligible for loans made, insured, or guaranteed under part B of subchapter IV of this chapter unless—
- (i) In the case of a graduate medical school located outside the United States—
- (I)(aa) At least 60 percent of those enrolled in, and at least 60 percent of the graduates of, the graduate medical school outside the United States were not persons described in section 1091(a)(5) of this title in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; and
- (bb) At least 60 percent of the individuals who were students or graduates of the graduate medical school outside the United States or Canada (both nationals of the United States and others) taking the examinations administered by the Educational Commission for Foreign Medical Graduates received a passing score in the year preceding the year for which a student is seeking a loan under part B of subchapter IV of this chapter; or
- (II) The institution has a clinical training program that was approved by a State as of January 1, 1992; or

- (ii) In the case of a veterinary school located outside the United States that does not meet the requirements of section 1001(a)(4) of this title, the institution's students complete their clinical training at an approved veterinary school located in the United States.
  - (B) Advisory panel
    - (i) In general. For the purpose of qualifying as an institution under paragraph (1)(C) of this subsection, the Secretary shall establish an advisory panel of medical experts that shall—
      - (I) Evaluate the standards of accreditation applied to applicant foreign medical schools; and
      - (II) Determine the comparability of those standards to standards for accreditation applied to United States medical schools.
    - (ii) Special rule if the accreditation standards described in clause (i) are determined not to be comparable, the foreign medical school shall be required to meet the requirements of section 1001 of this title.
  - (C) Failure to release information. The failure of an institution outside the United States to provide, release, or authorize release to the Secretary of such information as may be required by subparagraph (A) shall render such institution ineligible for the purpose of part B of subchapter IV of this chapter.
  - (D) Special rule. If, pursuant to this paragraph, an institution loses eligibility to participate in the programs under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, then a student enrolled at such institution may, notwithstanding such loss of eligibility, continue to be eligible to receive a loan under part B while attending such institution for the academic year succeeding the academic year in which such loss of eligibility occurred.
- (3) Limitations based on course of study or enrollment. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution—
- (A) Offers more than 50 percent of such institution's courses by correspondence, unless the institution is an institution that meets the definition in section 2471 (4)(C) of this title;
  - (B) Enrolls 50 percent or more of the institution's students in correspondence courses, unless the institution is an institution that meets the definition in such section, except that the Secretary, at the request of such institution, may waive the applicability of this subparagraph to such institution for good cause, as determined by the Secretary in the case of an institution of higher education that provides a 2-or 4-year program of instruction (or both) for which the institution awards an associate or baccalaureate degree, respectively;

- (C) Has a student enrollment in which more than 25 percent of the students are incarcerated, except that the Secretary may waive the limitation contained in this subparagraph for a nonprofit institution that provides a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree, or an associate's degree or a postsecondary diploma, respectively; or
  - (D) Has a student enrollment in which more than 50 percent of the students do not have a secondary school diploma or its recognized equivalent, and does not provide a 2-or 4-year program of instruction (or both) for which the institution awards a bachelor's degree or an associate's degree, respectively, except that the Secretary may waive the limitation contained in this subparagraph if a nonprofit institution demonstrates to the satisfaction of the Secretary that the institution exceeds such limitation because the institution serves, through contracts with Federal, State, or local government agencies, significant numbers of students who do not have a secondary school diploma or its recognized equivalent.
- (4) Limitations based on management. An institution shall not be considered to meet the definition of an institution of higher education in paragraph (1) if—
- (A) The institution, or an affiliate of the institution that has the power, by contract or ownership interest, to direct or cause the direction of the management or policies of the institution, has filed for bankruptcy, except that this paragraph shall not apply to a nonprofit institution, the primary function of which is to provide health care educational services (or an affiliate of such an institution that has the power, by contract or ownership interest, to direct or cause the direction of the institution's management or policies) that files for bankruptcy under chapter 11 of title 11 between July 1, 1998, and December 1, 1998; or
  - (B) The institution, the institution's owner, or the institution's chief executive officer has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, or has been judicially determined to have committed fraud involving funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42.
- (5) Certification. The Secretary shall certify an institution's qualification as an institution of higher education in accordance with the requirements of subpart 3 of part G of subchapter IV of this chapter.
- (6) Loss of eligibility. An institution of higher education shall not be considered to meet the definition of an institution of higher education in paragraph (1) if such institution is removed from eligibility for funds under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42 as a result of an action pursuant to part G of subchapter IV of this chapter.

(b) Proprietary institution of higher education

- (1) Principal criteria. For the purpose of this section, the term “proprietary institution of higher education” means a school that—
  - (A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;
  - (B) Meets the requirements of paragraphs (1) and (2) of section 1001 (a) of this title;
  - (C) Does not meet the requirement of paragraph (4) of section 1001 (a) of this title;
  - (D) Is accredited by a nationally recognized accrediting agency or association recognized by the Secretary pursuant to part G of subchapter IV of this chapter;
  - (E) Has been in existence for at least 2 years; and
  - (F) Has at least 10 percent of the school’s revenues from sources that are not derived from funds provided under subchapter IV of this chapter and part C of subchapter I of chapter 34 of title 42, as determined in accordance with regulations prescribed by the Secretary.
- (2) Additional institutions. The term “proprietary institution of higher education” also includes a proprietary educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

(c) Postsecondary vocational institution.

- (1) Principal criteria. For the purpose of this section, the term “postsecondary vocational institution” means a school that—
  - (A) Provides an eligible program of training to prepare students for gainful employment in a recognized occupation;
  - (B) Meets the requirements of paragraphs (1), (2), (4), and (5) of section 1001 (a) of this title; and
  - (C) Has been in existence for at least 2 years.
- (2) Additional institutions. The term “postsecondary vocational institution” also includes an educational institution in any State that, in lieu of the requirement in paragraph (1) of section 1001 (a) of this title, admits as regular students persons who are beyond the age of compulsory school attendance in the State in which the institution is located.

## Chapter 4

### APPLICATIONS, WAITING LIST AND TENANT SELECTION

#### INTRODUCTION

When a family wishes to receive assistance under the HCV program, the family must submit an application that provides the PHA with the information needed to determine the family's eligibility. HUD requires the PHA to place all families that apply for assistance on a waiting list. When HCV assistance becomes available, the PHA must select families from the waiting list in accordance with HUD requirements and PHA policies as stated in the administrative plan and the annual plan.

The PHA is required to adopt clear policies and procedures for accepting applications, placing families on the waiting list, and selecting families from the waiting list, and must follow these policies and procedures consistently. The actual order in which families are selected from the waiting list can be affected if a family has certain characteristics designated by HUD or the PHA that justify their selection. Examples of this are the selection of families for income targeting and the selection of families that qualify for targeted funding.

HUD regulations require that all families have an equal opportunity to apply for and receive housing assistance, and that the PHA affirmatively further fair housing goals in the administration of the program [24 CFR 982.53, HCV GB p. 4-1]. Adherence to the selection policies described in this chapter ensures that the PHA will be in compliance with all relevant fair housing requirements, as described in Chapter 2.

This chapter describes HUD and PHA policies for taking applications, managing the waiting list and selecting families for HCV assistance. The policies outlined in this chapter are organized into three sections, as follows:

Part I: The Application Process. This part provides an overview of the application process, and discusses how applicants can obtain and submit applications. It also specifies how the PHA will handle the applications it receives.

Part II: Managing the Waiting List. This part presents the policies that govern how the PHA's waiting list is structured, when it is opened and closed, and how the public is notified of the opportunity to apply for assistance. It also discusses the process the PHA will use to keep the waiting list current.

Part III: Selection for HCV Assistance. This part describes the policies that guide the PHA in selecting families for HCV assistance as such assistance becomes available. It also specifies how in-person interviews will be used to ensure that the PHA has the information needed to make a final eligibility determination.

## **PART I: THE APPLICATION PROCESS**

### **4-I.A. OVERVIEW**

This part describes the PHA policies for making applications available, accepting applications making preliminary determinations of eligibility, and the placement of applicants on the waiting list. This part also describes the PHA's obligation to ensure the accessibility of the application process to elderly persons, people with disabilities, and people with limited English proficiency (LEP).

### **4-I.B. APPLYING FOR ASSISTANCE [HCV GB, pp. 4-11 – 4-16, Notice PIH 2009-36]**

Any family that wishes to receive HCV assistance must apply for admission to the program. HUD permits the PHA to determine the format and content of HCV applications, as well how such applications will be made available to interested families and how applications will be accepted by the PHA. The PHA must include Form HUD-92006, Supplement to Application for Federally Assisted Housing, as part of the PHA's application.

#### PHA Policy

Depending upon the length of time that applicants may need to wait to receive assistance, the PHA may use a one- or two-step application process.

A one-step process will be used when it is expected that a family will be selected from the waiting list within 60 days of the date of application. At application, the family must provide all of the information necessary to establish family eligibility and level of assistance.

A two-step process will be used when it is expected that a family will not be selected from the waiting list for at least 60 days from the date of application. Under the two-step application process, the PHA initially will require families to provide only the information needed to make an initial assessment of the family's eligibility, and to determine the family's placement on the waiting list. The family will be required to provide all of the information necessary to establish family eligibility and level of assistance when the family is selected from the waiting list.

Families may complete an application on-line when the HCV Waiting List is open. Applications must be complete in order to be accepted by the PHA for processing.

#### **4-I.C. ACCESSIBILITY OF THE APPLICATION PROCESS**

##### **Elderly and Disabled Populations [24 CFR 8 and HCV GB, pp. 4-11 – 4-13]**

The PHA must take steps to ensure that the application process is accessible to those people who might have difficulty complying with the normal, standard PHA application process. This could include people with disabilities, certain elderly individuals, as well as persons with limited English proficiency (LEP). The PHA must provide reasonable accommodation to the needs of individuals with disabilities. The application-taking facility and the application process must be fully accessible, or the PHA must provide an alternate approach that provides full access to the application process. Chapter 2 provides a full discussion of the PHA's policies related to providing reasonable accommodations for people with disabilities.

##### **Limited English Proficiency**

PHAs are required to take reasonable steps to ensure equal access to their programs and activities by persons with limited English proficiency [24 CFR 1]. Chapter 2 provides a full discussion on the PHA's policies related to ensuring access to people with limited English proficiency (LEP).

#### **4-I.D. PLACEMENT ON THE WAITING LIST**

The PHA must review each complete application received and make a preliminary assessment of the family's eligibility. The PHA must accept applications from families for whom the list is open unless there is good cause for not accepting the application (such as denial of assistance) for the grounds stated in the regulations [24 CFR 982.206(b)(2)]. Where the family is determined to be ineligible, the PHA must notify the family in writing [24 CFR 982.201(f)]. Where the family is not determined to be ineligible, the family will be placed on a waiting list of applicants.

No applicant has a right or entitlement to be listed on the waiting list, or to any particular position on the waiting list [24 CFR 982.202(c)].

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

###### PHA Policy

If the PHA can determine from the information provided that a family is ineligible, the family will not be placed on the waiting list. Where a family is determined to be ineligible, the PHA will send written notification of the ineligibility determination within 14 business days of receiving a complete application. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review and explain the process for doing so (see Chapter 16).

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

###### PHA Policy

The PHA will send written notification of the preliminary eligibility determination within 14 business days of receiving a complete application.

Placement on the waiting list does not indicate that the family is, in fact, eligible for assistance. A final determination of eligibility will be made when the family is selected from the waiting list.

Applicants will be placed on the waiting list using a lottery system. Once each application has been randomly assigned a number, the applications will be placed on the waiting list in order of the assigned numbers and according to PHA preference(s).

## **PART II: MANAGING THE WAITING LIST**

### **4-II.A. OVERVIEW**

The PHA must have policies regarding various aspects of organizing and managing the waiting list of applicant families. This includes opening the list to new applicants, closing the list to new applicants, notifying the public of waiting list openings and closings, updating waiting list information, purging the list of families that are no longer interested in or eligible for assistance, as well as conducting outreach to ensure a sufficient number of applicants.

In addition, HUD imposes requirements on how a PHA may structure its waiting list and how families must be treated if they apply for assistance from a PHA that administers more than one assisted housing program.

### **4-II.B. ORGANIZATION OF THE WAITING LIST [24 CFR 982.204 and 205]**

The PHA's HCV waiting list must be organized in such a manner to allow the PHA to accurately identify and select families for assistance in the proper order, according to the admissions policies described in this plan.

The waiting list must contain the following information for each applicant listed:

- Applicant name;
- Family unit size;
- Date and time of application;
- Qualification for any local preference;
- Racial or ethnic designation of the head of household.

HUD requires the PHA to maintain a single waiting list for the HCV program unless it serves more than one county or municipality. Such PHAs are permitted, but not required, to maintain a separate waiting list for each county or municipality served.

#### PHA Policy

The PHA will maintain a single waiting list for the HCV program.

HUD directs that a family that applies for assistance from the HCV program must be offered the opportunity to be placed on the waiting list for any public housing, project-based voucher or moderate rehabilitation program the PHA operates if 1) the other programs' waiting lists are open, and 2) the family is qualified for the other programs.

HUD permits, but does not require, that PHAs maintain a single merged waiting list for their public housing, Section 8, and other subsidized housing programs.

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

#### PHA Policy

The PHA will not merge the HCV waiting list with the waiting list for any other program the PHA operates.

#### **4-II.C. OPENING AND CLOSING THE WAITING LIST [24 CFR 982.206]**

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

A PHA is permitted to close the waiting list if it has an adequate pool of families to use its available HCV assistance. Alternatively, the PHA may elect to continue to accept applications only from certain categories of families that meet particular preferences or funding criteria.

##### PHA Policy

The PHA may close the waiting list when the estimated waiting period for housing assistance for applicants on the list reaches 24 months for the most current applicants. Where the PHA has particular preferences or funding criteria that require a specific category of family, the PHA may elect to continue to accept applications from these applicants while closing the waiting list to others.

##### **Reopening the Waiting List**

If the waiting list has been closed, it cannot be reopened until the PHA publishes a notice in local newspapers of general circulation, minority media, and other suitable media outlets. The notice must comply with HUD fair housing requirements and must specify who may apply, and where and when applications will be received.

##### PHA Policy

The PHA will announce the reopening of the waiting list at least 10 business days prior to the date applications will first be accepted. If the list is only being reopened for certain categories of families, this information will be contained in the notice.

The PHA will give public notice by publishing the relevant information in suitable media outlets including, but not limited to:

- Register Guard
- HACSA Website
- Centro Latino Americano
- Senior and Disabled Services
- Department of Human Services

#### **4-II.D. FAMILY OUTREACH [HCV GB, pp. 4-2 to 4-4]**

The PHA must conduct outreach as necessary to ensure that the PHA has a sufficient number of applicants on the waiting list to use the HCV resources it has been allotted.

Because HUD requires the PHA to admit a specified percentage of extremely low-income families to the program (see Chapter 4, Part III), the PHA may need to conduct special outreach to ensure that an adequate number of such families apply for assistance [HCV GB, p. 4-20 to 4-21].

PHA outreach efforts must comply with fair housing requirements. This includes:

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

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

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

##### PHA Policy

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

#### **4-II.E. REPORTING CHANGES IN FAMILY CIRCUMSTANCES**

##### PHA Policy

While the family is on the waiting list, the family must immediately inform the PHA of changes in contact information, including current residence, mailing address, and phone number. The changes may be submitted in writing, telephone, in person, or email and a note added to the applicant's electronic file.

#### **4-II.F. UPDATING THE WAITING LIST [24 CFR 982.204]**

HUD requires the PHA to establish policies to use when removing applicant names from the waiting list.

##### **Purging the Waiting List**

The decision to withdraw an applicant family that includes a person with disabilities from the waiting list is subject to reasonable accommodation. If the applicant did not respond to a PHA request for information or updates, and the PHA determines that the family did not respond because of the family member's disability, the PHA must reinstate the applicant family to their former position on the waiting list [24 CFR 982.204(c)(2)].

##### PHA Policy

The waiting list will be updated as needed to ensure that all applicants and applicant information is current and timely.

To update the waiting list, the PHA will send an update request via first class mail to each family on the waiting list to determine whether the family continues to be interested in, and to qualify for, the program. This update request will be sent to the last address that the PHA has on record for the family. The update request will provide a deadline by which the family must respond and will state that failure to respond will result in the applicant's name being removed from the waiting list.

The family's response must be in writing and may be delivered in person, by mail, or by fax. Responses should be postmarked or received by the PHA not later than 14 business days from the date of the PHA letter.

If the family fails to respond within 14 business days, the family will be removed from the waiting list without further notice.

If the notice is returned by the post office the applicant will be removed from the waiting list without further notice.

If a family is removed from the waiting list for failure to respond, the PHA may reinstate the family if it is determined that the lack of response was due to PHA error, or to circumstances beyond the family's control.

## **Removal from the Waiting List**

### PHA Policy

If at any time an applicant family is on the waiting list, the PHA determines that the family is not eligible for assistance (see Chapter 3), the family will be removed from the waiting list.

If a family is removed from the waiting list because the PHA has determined the family is not eligible for assistance, a notice will be sent to the family's address of record as well as to any alternate address provided on the initial application. The notice will state the reasons the family was removed from the waiting list and will inform the family how to request an informal review regarding the PHA's decision (see Chapter 16) [24 CFR 982.201(f)].



## **PART III: SELECTION FOR HCV ASSISTANCE**

### **4-III.A. OVERVIEW**

As vouchers become available, families on the waiting list must be selected for assistance in accordance with the policies described in this part.

The order in which families are selected from the waiting list depends on the selection method chosen by the PHA and is impacted in part by any selection preferences for which the family qualifies. The availability of targeted funding also may affect the order in which families are selected from the waiting list.

The PHA must maintain a clear record of all information required to verify that the family is selected from the waiting list according to the PHA's selection policies [24 CFR 982.204(b) and 982.207(e)].

### **4-III.B. SELECTION AND HCV FUNDING SOURCES**

#### **Special Admissions [24 CFR 982.203]**

HUD may award funding for specifically-named families living in specified types of units (e.g., a family that is displaced by demolition of public housing; a non-purchasing family residing in a HOPE 1 or 2 projects). In these cases, the PHA may admit such families whether or not they are on the waiting list, and, if they are on the waiting list, without considering the family's position on the waiting list. These families are considered non-waiting list selections. The PHA must maintain records showing that such families were admitted with special program funding.

#### **Targeted Funding [24 CFR 982.204(e)]**

HUD may award a PHA funding for a specified category of families on the waiting list. The PHA must use this funding only to assist the families within the specified category. In order to assist families within a targeted funding category, the PHA may skip families that do not qualify within the targeted funding category. Within this category of families, the order in which such families are assisted is determined according to the policies provided in Section 4-III.C.

#### PHA Policy

The PHA administers the following types of targeted funding:

#### *Veterans Affairs Supportive Housing (VASH)*

#### **Regular HCV Funding**

Regular HCV funding may be used to assist any eligible family on the waiting list. Families are selected from the waiting list according to the policies provided in Section 4-III.C.

#### **4-III.C. SELECTION METHOD**

PHAs must describe the method for selecting applicant families from the waiting list, including the system of admission preferences that the PHA will use [24 CFR 982.202(d)].

##### **Local Preferences [24 CFR 982.207; HCV p. 4-16]**

PHAs are permitted to establish local preferences, and to give priority to serving families that meet those criteria. HUD specifically authorizes and places restrictions on certain types of local preferences. HUD also permits the PHA to establish other local preferences, at its discretion. Any local preferences established must be consistent with the PHA plan and the consolidated plan, and must be based on local housing needs and priorities that can be documented by generally accepted data sources.

##### PHA Policy

The PHA will offer the following preferences:

##### *Homeless Veteran Family Preference*

This preference applies to homeless veteran families who have been referred from a HACSA approved entity (an entity with an active MOU/MOA with HACSA). The definition of 'homeless' and 'veteran' for this purpose will be included in the MOU/MOA with the qualified entity.

##### *Transitional Homeless Family Preference*

This preference applies to transitional housing persons who are homeless and are entering Lane County from jail or prison who are referred from a HACSA approved entity (an entity with an active MOU/MOA with HACSA). The definition of 'homeless' and 'transitional' for this purpose will be included in the MOU/MOA with the qualified entity.

##### *Displaced Family Preference (fire*

This preference applies to families who are displaced as a result of fire. Persons who claim they are being or have been displaced due to fire must be a resident of Lane County and have written verification from a HACSA approved entity, such as the Red Cross, local Fire Department, etc., of displacement. Referrals must be received within 45 days of the displacement.

##### *Title XIX Preference – limited to 25 families selected under this preference per PHA Fiscal Year*

This preference applies to persons who qualify for Title XIX services and who are referred from a HACSA approved entity (an entity with an active MOU/MOA with HACSA).

*Domestic Violence Preference - limited to 25 families selected under this preference per PHA Fiscal Year*

This preference applies to persons who are victims of domestic violence, dating violence, sexual assault, or stalking (as defined under VAWA; see Chapter 16) who have been referred from a HACSA approved entity (an entity with an active MOU/MOA with HACSA).

*Shelter Plus Care Preference - limited to 25 families selected under this preference per PHA Fiscal Year*

This preference applies to participants in for HACSA's Shelter Plus Care Program. To qualify, participants must have participated in the program for a minimum of two years, be in compliance with case management requirements, and not have violated their Family Obligations within 12 months of referral from the case manager.

*Disabled Homeless Preference*

This preference applies to disabled homeless persons who reside in cities where an established overnight homeless shelter is not within the city limits. Persons must be referred by a HACSA approved entity (an entity with an active MOU/MOA with HACSA). The definition of 'disabled homeless' for this purpose will be included in the MOU/MOA with the qualified entity.

*Over/Under Housed HACSA Project-Based Preference*

This preference applies to families who are currently receiving project-based housing assistance from HACSA and are over/under housed according to the occupancy guidelines for their current housing program and there is no available units to rectify the under/over housed issue in the family's current housing program.

### **Income Targeting Requirement [24 CFR 982.201(b)(2)]**

HUD requires that extremely low-income (ELI) families make up at least 75 percent of the families admitted to the HCV program during the PHA's fiscal year. ELI families are those with annual incomes at or below the federal poverty level or 30 percent of the area median income, whichever number is higher. To ensure this requirement is met, a PHA may skip non-ELI families on the waiting list in order to select an ELI family.

Low-income families admitted to the program that are "continuously assisted" under the 1937 Housing Act [24 CFR 982.4(b)], as well as low-income or moderate-income families admitted to the program that are displaced as a result of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing, are not counted for income targeting purposes [24 CFR 982.201(b)(2)(v)].

#### PHA Policy

The PHA will monitor progress in meeting the income targeting requirement throughout the fiscal year. Extremely low-income families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

## **Order of Selection**

The PHA system of preferences may select families based on local preferences according to the date and time of application or by a random selection process (lottery) [24 CFR 982.207(c)]. If a PHA does not have enough funding to assist the family at the top of the waiting list, it is not permitted to skip down the waiting list to a family that it can afford to subsidize when there are not sufficient funds to subsidize the family at the top of the waiting list [24 CFR 982.204(d) and (e)].

### PHA Policy

HACSB is adopting a new preference-based system of selection from the waiting list. In order to ensure that families on HACSA's waiting list at the time the new selection criteria becomes effective are treated fairly, selection will take place as follows:

Category 1: Families on the waiting list at the time the new selection criteria becomes effective who claim a preference will be selected first, based on current lottery number.

Category 2: Families not on the waiting list at the time the new selection criteria becomes effective who claim a preference will be selected second, based on date and time of application.

Category 3: Families on the waiting list at the time the new selection criteria becomes effective who do not claim a preference will be selected third, based on current lottery number.

Category 4: Families not currently on the waiting list at the time the new selection criteria becomes effective who apply and do not claim a preference will be selected last, based on date and time of application.

Although all preferences are treated equally for purposes of selection from the waiting list, the PHA may skip a family at the top of the list if that family has claimed a preference for which the PHA has no current selections available due to FY selection limitations (see Local Preferences).

#### **4-III.D. NOTIFICATION OF SELECTION**

When a family has been selected from the waiting list, the PHA must notify the family [24 CFR 982.554(a)].

##### PHA Policy

The PHA will notify the family by first class mail when it is selected from the waiting list. The notice will inform the family of the following:

##### How to obtain an application packet

If a notification letter is returned to the PHA with no forwarding address, the family will be removed from the waiting list. A notice of denial (see Chapter 3) will be sent to the family's address of record, as well as to any known alternate address.

#### **4-III.E. THE APPLICATION PROCESS**

HUD recommends that the PHA obtain the information and documentation needed to make an eligibility determination through a face-to-face interview with a PHA representative [HCV GB, pg. 4-16]. Being invited to attend an interview does not constitute admission to the program.

Assistance cannot be provided to the family until all SSN documentation requirements are met. However, if the PHA determines that an applicant family is otherwise eligible to participate in the program, the family may retain its place on the waiting list for a period of time determined by the PHA [Notice PIH 2012-10].

Reasonable accommodation must be made for persons with disabilities who are unable to attend an interview due to their disability.

##### PHA Policy

Families selected from the waiting list are required to submit an application. Applications will be reviewed for completeness. Applicants with incomplete applications will be contacted via phone, mail, or email to complete the application.

Verification of information pertaining to adult members of the household will not begin until signed release forms are returned to the PHA.

The family must provide the required documentation to the PHA in-person, during regular business hours, within 14 business days of an otherwise complete application. The PHA will send a notice of outstanding documentation if the family fails to provide the required documentation within 14 business days

Pending disclosure and documentation of social security numbers, the PHA will allow the family to retain its place on the waiting list for **180 days**. If not all household members have disclosed their SSNs at the next time the PHA is issuing vouchers, the PHA will issue a voucher to the next eligible applicant family on the waiting list.

The family must provide the information necessary to establish the family's eligibility and determine the appropriate level of assistance, as well as completing required forms, providing required signatures, and submitting required documentation. If any materials are missing, the PHA will provide the family with a written list of items that must be submitted.

Any required documents or information that the family is unable to provide must be provided within 14 business days of the family being notified of the missing documentation (Chapter 7 provides details about longer submission deadlines for particular items, including documentation of eligible noncitizen status). If the family is unable to obtain the information or materials within the required time frame, the family may request an extension. If the required documents and information are not provided within the required time frame (plus any extensions), the family will be sent a notice of denial (See Chapter 3).

An advocate, interpreter, or other assistant may assist the family with the application process.

Applications will be provided in English. For limited English proficient (LEP) applicants, the PHA will provide translation services in accordance with the PHA's LEP plan.

#### **4-III.F. COMPLETING THE APPLICATION PROCESS**

The PHA must verify all information provided by the family (see Chapter 7). Based on verified information, the PHA must make a final determination of eligibility (see Chapter 3) and must confirm that the family qualified for any special admission, targeted funding admission, or selection preference that affected the order in which the family was selected from the waiting list.

##### PHA Policy

If the PHA determines that the family is ineligible, the PHA will send written notification of the ineligibility determination within 14 business days of the determination. The notice will specify the reasons for ineligibility, and will inform the family of its right to request an informal review (Chapter 16).

If a family fails to qualify for any criteria that affected the order in which it was selected from the waiting list (e.g. targeted funding, extremely low-income), the family will be returned to its original position on the waiting list. The PHA will notify the family in writing that it has been returned to the waiting list, and will specify the reasons for it.

If the PHA determines that the family is eligible to receive assistance, the PHA will invite the family to attend a briefing in accordance with the policies in Chapter 5.

## Chapter 5

### BRIEFINGS AND VOUCHER ISSUANCE

#### INTRODUCTION

This chapter explains the briefing and voucher issuance process. When a family is determined to be eligible for the Housing Choice Voucher (HCV) program, the PHA must ensure that the family fully understands the way the program operates and the family's obligations under the program. This is accomplished through both an oral briefing and provision of a briefing packet containing the HUD-required documents and other information the family needs to know in order to lease a unit under the program. Once the family is fully informed of the program's requirements, the PHA issues the family a voucher. The voucher includes the unit size for which the family qualifies based on the PHA's subsidy standards, as well as the issue and expiration date of the voucher. The voucher is the document that authorizes the family to begin its search for a unit, and limits the amount of time the family has to successfully locate an acceptable unit.

This chapter describes HUD regulations and PHA policies related to these topics in two parts:

Part I: Briefings and Family Obligations. This part details the program's requirements for briefing families orally, and for providing written materials describing the program and its requirements. It includes a particular focus on the family's obligations under the program.

Part II: Subsidy Standards and Voucher Issuance. This part discusses the PHA's standards for determining how many bedrooms a family of a given composition qualifies for, which in turn affects the amount of subsidy the family can receive. It also discusses the policies that dictate how vouchers are issued, and how long families have to locate a unit.

## **PART I: BRIEFINGS AND FAMILY OBLIGATIONS**

### **5-I.A. OVERVIEW**

HUD regulations require the PHA to conduct mandatory briefings for applicant families who qualify for a voucher. The briefing provides a broad description of owner and family responsibilities, explains the PHA's procedures, and includes instructions on how to lease a unit. This part describes how oral briefings will be conducted, specifies what written information will be provided to families, and lists the family's obligations under the program.

### **5-I.B. BRIEFING [24 CFR 982.301]**

The PHA must give the family an oral briefing and provide the family with a briefing packet containing written information about the program. Families may be briefed individually or in groups. At the briefing, the PHA must ensure effective communication in accordance with Section 504 requirements (Section 504 of the Rehabilitation Act of 1973), and ensure that the briefing site is accessible to individuals with disabilities. For a more thorough discussion of accessibility requirements, refer to Chapter 2.

#### PHA Policy

Briefings will be conducted in group meetings.

Generally, all adult family members are required to attend the briefing. If any adult member is unable to attend, the PHA may waive this requirement as long as the head, spouse or co-head attends the briefing.

Families that attend group briefings and still need individual assistance will be referred to an appropriate PHA staff person.

Briefings will be conducted in English. For limited English proficient (LEP) applicants, the PHA will provide translation services in accordance with the PHA's LEP plan (See Chapter 2).

### **Notification and Attendance**

#### PHA Policy

Families will be notified of their eligibility for assistance at the time they are invited to attend a briefing. The notice will identify who is required to attend the briefing, as well as the date and time of the scheduled briefing.

If the notice is returned by the post office, the applicant will be denied and their name will not be placed back on the waiting list.

Applicants who fail to attend a scheduled briefing will be scheduled for another briefing automatically. The PHA will notify the family of the date and time of the second scheduled briefing. Applicants who fail to attend two scheduled briefings, without prior PHA approval, will be denied assistance (see Chapter 3).

### **Oral Briefing [24 CFR 982.301(a)]**

Each briefing must provide information on the following subjects:

- How the Housing Choice Voucher program works;
- Family and owner responsibilities;
- Where the family can lease a unit, including renting a unit inside or outside the PHA's jurisdiction;
- An explanation of how portability works. The PHA may not discourage the family from choosing to live anywhere in the PHA jurisdiction or outside the PHA jurisdiction under portability, unless otherwise expressly authorized by statute, regulation, PIH Notice, or court order;
- The PHA must inform the family of how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process which may affect the family's assistance;
- The advantages of areas that do not have a high concentration of low-income families; and
- For families receiving welfare-to-work vouchers, a description of any local obligations of a welfare-to-work family and an explanation that failure to meet the obligations is grounds for denial of admission or termination of assistance.

## **Briefing Packet [24 CFR 982.301(b)]**

Documents and information provided in the briefing packet must include the following:

- The term of the voucher, voucher suspensions, and the PHA's policies on any extensions of the term. If the PHA allows extensions, the packet must explain how the family can request an extension.
- A description of the method used to calculate the housing assistance payment for a family, including how the PHA determines the payment standard for a family, how the PHA determines total tenant payment for a family, and information on the payment standard and utility allowance schedule.
- An explanation of how the PHA determines the maximum allowable rent for an assisted unit.
- Where the family may lease a unit and an explanation of how portability works, including information on how portability may affect the family's assistance through screening, subsidy standards, payment standards, and any other elements of the portability process that may affect the family's assistance.
- The HUD-required tenancy addendum, which must be included in the lease.
- The form the family must use to request approval of tenancy, and a description of the procedure for requesting approval for a tenancy.
- A statement of the PHA policy on providing information about families to prospective owners.
- The PHA subsidy standards including when and how exceptions are made.
- Materials (e.g., brochures) on how to select a unit and any additional information on selecting a unit that HUD provides.
- Information on federal, state and local equal opportunity laws and a copy of the housing discrimination complaint form.
- A list of landlords known to the PHA who may be willing to lease a unit to the family or other resources (e.g., newspapers, organizations, online search tools) known to the PHA that may assist the family in locating a unit. PHAs must ensure that the list of landlords or other resources covers areas outside of poverty or minority concentration.
- Notice that if the family includes a person with disabilities, the family may request a list of available accessible units known to the PHA.
- The family obligations under the program, including any obligations of a welfare-to-work family.
- The grounds on which the PHA may terminate assistance for a participant family because of family action or failure to act.
- PHA informal hearing procedures including when the PHA is required to offer a participant family the opportunity for an informal hearing, and how to request the hearing.

If the PHA is located in a metropolitan area, the following additional information must be included in the briefing packet in order to receive full points under SEMAP Indicator 7, Expanding Housing Opportunities [24 CFR 985.3(g)]:

- Maps showing areas with housing opportunities outside areas of poverty or minority concentration, both within its jurisdiction and its neighboring jurisdiction
- Information about the characteristics of these areas including job opportunities, schools, transportation, and other services
- An explanation of how portability works, including a list of portability contact persons for neighboring PHAs with names, addresses, and telephone numbers

### **Additional Items to Be Included in the Briefing Packet**

In addition to items required by the regulations, PHAs may wish to include supplemental materials to help explain the program to both participants and owners [HCV GB p. 8-7, Notice PIH 2010-19].

#### PHA Policy

The PHA will provide the following additional materials in the briefing packet:

The HUD pamphlet on lead-based paint entitled *Protect Your Family from Lead in Your Home*.

Information on how to fill out and file a housing discrimination complaint form

Information about the protections afforded by the Violence against Women Act of 2013 (VAWA) to victims of domestic violence, dating violence, sexual assault, and stalking (see section 16-IX.C)

“Is Fraud Worth It?” (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse

“What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19

## **5-I.C. FAMILY OBLIGATIONS**

Obligations of the family are described in the housing choice voucher (HCV) regulations and on the voucher itself. These obligations include responsibilities the family is required to fulfill, as well as prohibited actions. The PHA must inform families of these obligations during the oral briefing, and the same information must be included in the briefing packet. When the family's unit is approved and the HAP contract is executed, the family must meet those obligations in order to continue participating in the program. Violation of any family obligation may result in termination of assistance, as described in Chapter 12.

### **Time Frames for Reporting Changes Required By Family Obligations**

#### PHA Policy

Unless otherwise noted below, when family obligations require the family to respond to a request or notify the PHA of a change, notifying the PHA of the request or change within 14 business days is considered prompt notice.

When a family is required to provide notice to the PHA, the notice must be in writing.

### **Family Obligations [24 CFR 982.551]**

The family obligations of the voucher are listed as follows:

- The family must supply any information that the PHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

#### PHA Policy

Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.

- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.

- The family must not commit any serious or repeated violation of the lease.

PHA Policy

The PHA will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction or an owner's notice to evict, police reports, and affidavits from the owner, neighbors, or other credible parties with direct knowledge.

*Serious and repeated lease violations* will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, living or housekeeping habits that cause damage to the unit or premises, and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault, or stalking will not be construed as serious or repeated lease violations by the victim [24 CFR 5.2005(c)(1)].

- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.

PHA Policy

The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the PHA at the same time the owner is notified.

- The family must promptly give the PHA a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.
- The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

PHA Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.
- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (sections I.K and I.M), and Chapter 11 (section II.B).

- The family must not sublease the unit, assign the lease, or transfer the unit.

PHA Policy

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

- The family must supply any information requested by the PHA to verify that the family is living in the unit or information related to family absence from the unit.
- The family must promptly notify the PHA when the family is absent from the unit.

PHA Policy

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 14 business days. Written notice must be provided to the PHA at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See Chapter 14, Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and PHA policies related to drug-related and violent criminal activity.
- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and PHA policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]

## **PART II: SUBSIDY STANDARDS AND VOUCHER ISSUANCE**

### **5-II.A. OVERVIEW**

The PHA must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions. This part presents the policies that will be used to determine the family unit size (also known as the voucher size) a particular family should receive, and the policies that govern making exceptions to those standards. The PHA must also establish policies related to the issuance of the voucher, to the voucher term, and to any extensions of the voucher term.

### **5-II.B. DETERMINING FAMILY UNIT (VOUCHER) SIZE [24 CFR 982.402]**

For each family, the PHA determines the appropriate number of bedrooms under the PHA subsidy standards and enters the family unit size on the voucher that is issued to the family. The family unit size does not dictate the size of unit the family must actually lease, nor does it determine who within a household will share a bedroom/sleeping room.

The following requirements apply when the PHA determines family unit size:

- The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.
- The subsidy standards must be consistent with space requirements under the housing quality standards.
- The subsidy standards must be applied consistently for all families of like size and composition.
- A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.
- A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.
- Any live-in aide (approved by the PHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size;
- Unless a live-in-aide resides with a family, the family unit size for any family consisting of a single person must be either a zero- or one-bedroom unit, as determined under the PHA subsidy standards.

#### PHA Policy

The head of household, including the spouse or co-head, will be allocated one bedroom

All other household members will be based on two (2) persons per bedroom, without regard to gender or age.

Live-in aides will be allocated a separate bedroom. Family members of a live-in aide will not be considered when determining family unit size.

Single person families will be allocated one bedroom.

## **5-II.C. EXCEPTIONS TO SUBSIDY STANDARDS**

In determining family unit size for a particular family, the PHA may grant an exception to its established subsidy standards if the PHA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances [24 CFR 982.402(b)(8)]. Reasons may include, but are not limited to:

- A need for an additional bedroom for medical equipment
- A need for a separate bedroom for reasons related to a family member's disability, medical or health condition

For a single person who is not elderly, disabled, or a remaining family member, an exception cannot override the regulatory limit of a zero or one bedroom [24 CFR 982.402(b)(8)].

### PHA Policy

The PHA will consider granting an exception for any of the reasons specified in the regulation: the age, sex, health, handicap, or relationship of family members or other personal circumstances.

The family must request any exception to the subsidy standards in writing. The request must explain the need or justification for a larger family unit size, and must include appropriate documentation. Requests based on health-related reasons must be verified by a knowledgeable professional source (e.g., doctor or health professional), unless the disability and the disability-related request for accommodation is readily apparent or otherwise known. The family's continued need for an additional bedroom due to special medical equipment must be re-verified at annual reexamination.

The PHA will notify the family of its determination within 14 business days of receiving the family's request. If a participant family's request is denied, the notice will inform the family of their right to request an informal hearing.

## **5-II.D. VOUCHER ISSUANCE [24 CFR 982.302]**

When a family is selected from the waiting list (or as a special admission as described in Chapter 4), or when a participant family wants to move to another unit, the PHA issues a Housing Choice Voucher, form HUD-52646. This chapter deals only with voucher issuance for applicants. For voucher issuance associated with moves of program participants, please refer to Chapter 10.

The voucher is the family's authorization to search for housing. It specifies the unit size for which the family qualifies, and includes both the date of voucher issuance and date of expiration. It contains a brief description of how the program works and explains the family obligations under the program. The voucher is evidence that the PHA has determined the family to be eligible for the program, and that the PHA expects to have money available to subsidize the family if the family finds an approvable unit. However, the PHA does not have any liability to any party by the issuance of the voucher, and the voucher does not give the family any right to participate in the PHA's housing choice voucher program [Voucher, form HUD-52646]

A voucher can be issued to an applicant family only after the PHA has determined that the family is eligible for the program based on verification of information received within the 60 days prior to issuance [24 CFR 982.201(e)] and after the family has attended an oral briefing [HCV 8-1].

### PHA Policy

Vouchers will be issued to eligible applicants immediately following the mandatory briefing.

The PHA should have sufficient funds to house an applicant before issuing a voucher. If funds are insufficient to house the family at the top of the waiting list, the PHA must wait until it has adequate funds before it calls another family from the list [HCV GB p. 8-10].

### PHA Policy

Prior to issuing any vouchers, the PHA will determine whether it has sufficient funding in accordance with the policies in Part VIII of Chapter 16.

If the PHA determines that there is insufficient funding after a voucher has been issued, the PHA may rescind the voucher and place the affected family back on the waiting list.

## **5-II.E. VOUCHER TERM AND EXTENSIONS**

### **Voucher Term [24 CFR 982.303]**

The initial term of a voucher must be at least 60 calendar days. The initial term must be stated on the voucher [24 CFR 982.303(a)].

#### PHA Policy

The initial voucher term will be 60 calendar days.

The family must submit a Request for Tenancy Approval and proposed lease within the 60-day period unless the PHA grants an extension.

### **Extensions of Voucher Term [24 CFR 982.303(b)]**

The PHA has the authority to grant extensions of search time, to specify the length of an extension, and to determine the circumstances under which extensions will be granted. There is no limit on the number of extensions that the PHA can approve. Discretionary policies related to extension and expiration of search time must be described in the PHA's administrative plan [24 CFR 982.54].

PHAs must approve additional search time if needed as a reasonable accommodation to make the program accessible to and usable by a person with disabilities. The extension period must be reasonable for the purpose.

The family must be notified in writing of the PHA's decision to approve or deny an extension. The PHA's decision to deny a request for an extension of the voucher term is not subject to informal review [24 CFR 982.554(c)(4)].

#### PHA Policy

The PHA will approve extensions beyond 120 days only if an extension is necessary as a reasonable accommodation for a person with disabilities. In such case, the PHA will decide whether to approve or deny an extension in line with the PHA's Reasonable Accommodation process.

### **Suspensions of Voucher Term [24 CFR 982.303(c)]**

The PHA must provide for suspension of the initial or any extended term of the voucher from the date the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied.

### **Expiration of Voucher Term**

Once a family's housing choice voucher term (including any extensions) expires, the family is no longer eligible to search for housing under the program. If the family still wishes to receive assistance, the PHA may require that the family reapply, or may place the family on the waiting list with a new application date but without requiring reapplication. Such a family does not become ineligible for the program on the grounds that it was unable to locate a unit before the voucher expired [HCV GB p. 8-13].

#### PHA Policy

If an applicant family's voucher term or extension expires before the PHA has approved a tenancy, the PHA will require the family to reapply for assistance.

Within 14 business days after the expiration of the voucher term or any extension, the PHA will notify the family in writing that the voucher term has expired and that the family must reapply in order to be placed on the waiting list.

## Chapter 6

### INCOME AND SUBSIDY DETERMINATIONS

[24 CFR Part 5, Subparts E and F; 24 CFR 982]

#### INTRODUCTION

A family's income determines eligibility for assistance and is also used to calculate the family's payment and the PHA's subsidy. The PHA will use the policies and methods described in this chapter to ensure that only eligible families receive assistance and that no family pays more or less than its obligation under the regulations. This chapter describes HUD regulations and PHA policies related to these topics in three parts as follows:

- Part I: Annual Income. HUD regulations specify the sources of income to include and exclude to arrive at a family's annual income. These requirements and PHA policies for calculating annual income are found in Part I.
- Part II: Adjusted Income. Once annual income has been established HUD regulations require the PHA to subtract from annual income any of five mandatory deductions for which a family qualifies. These requirements and PHA policies for calculating adjusted income are found in Part II.
- Part III: Calculating Family Share and PHA Subsidy. This part describes the statutory formula for calculating total tenant payment (TTP), the use of utility allowances, and the methodology for determining PHA subsidy and required family payment.

## PART I: ANNUAL INCOME

### 6-I.A. OVERVIEW

The general regulatory definition of *annual income* shown below is from 24 CFR 5.609.

5.609 Annual income.

(a) Annual income means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph [5.609(c)].

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

In addition to this general definition, HUD regulations establish policies for treating specific types of income and assets. The full texts of those portions of the regulations are provided in exhibits at the end of this chapter as follows:

- Annual Income Inclusions (Exhibit 6-1)
- Annual Income Exclusions (Exhibit 6-2)
- Treatment of Family Assets (Exhibit 6-3)
- Earned Income Disallowance for Persons with Disabilities (Exhibit 6-4)
- The Effect of Welfare Benefit Reduction (Exhibit 6-5)

Sections 6-I.B and 6-I.C discuss general requirements and methods for calculating annual income. The rest of this section describes how each source of income is treated for the purposes of determining annual income. HUD regulations present income inclusions and exclusions separately [24 CFR 5.609(b) and 24 CFR 5.609(c)]. In this plan, however, the discussions of income inclusions and exclusions are integrated by topic (e.g., all policies affecting earned income are discussed together in section 6-I.D). Verification requirements for annual income are discussed in Chapter 7.

## 6-I.B. HOUSEHOLD COMPOSITION AND INCOME

Income received by all family members must be counted unless specifically excluded by the regulations. It is the responsibility of the head of household to report changes in family composition. The rules on which sources of income are counted vary somewhat by family member. The chart below summarizes how family composition affects income determinations.

<b>Summary of Income Included and Excluded by Person</b>	
Live-in aides	Income from all sources is excluded [24 CFR 5.609(c)(5)].
Foster child or foster adult	Income from all sources is excluded [24 CFR 5.609(c)(2)].
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included.
Children under 18 years of age	Employment income is excluded [24 CFR 5.609(c)(1)]. All other sources of income, except those specifically excluded by the regulations, are included.
Full-time students 18 years of age or older (not head, spouse, or cohead)	Employment income above \$480/year is excluded [24 CFR 5.609(c)(11)]. All other sources of income, except those specifically excluded by the regulations, are included.

## **Temporarily Absent Family Members**

The income of family members approved to live in the unit will be counted, even if the family member is temporarily absent from the unit [HCV GB, p. 5-18].

### PHA Policy

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

## ***Absent Students***

### PHA Policy

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

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

Children temporarily absent from the home as a result of placement in foster care are considered members of the family [24 CFR 5.403].

### PHA Policy

If a child has been placed in foster care, the PHA will verify with the appropriate agency whether and when the child is expected to be returned to the home. Unless the agency confirms that the child has been permanently removed from the home, the child will be counted as a family member.

## ***Absent Head, Spouse, or Cohead***

### PHA Policy

An employed head, spouse, or cohead absent from the unit more than 180 consecutive days due to employment will continue to be considered a family member.

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

If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member and the income of that person is not counted [HCV GB, p. 5-22].

### PHA Policy

The PHA will request verification from a responsible medical professional and will use this determination. If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent. The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member.

When an individual who has been counted as a family member is determined permanently absent, the family is eligible for the medical expense deduction only if the remaining head, spouse, or cohead qualifies as an elderly person or a person with disabilities.

## **Joint Custody of Dependents**

### PHA Policy

Dependents that are subject to a joint custody arrangement will be considered a member of the family, if they live with the applicant or participant family 51 percent or more of the time.

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

## **Caretakers for a Child**

### PHA Policy

The approval of a caretaker is at the owner and PHA's discretion and subject to the owner and PHA's screening criteria. If neither a parent nor a designated guardian remains in a household receiving HCV assistance, the PHA will take the following actions.

- (1) If a responsible agency has determined that another adult is to be brought into the assisted unit to care for a child for an indefinite period, the designated caretaker will not be considered a family member until a determination of custody or legal guardianship is made.
- (2) If a caretaker has assumed responsibility for a child without the involvement of a responsible agency or formal assignment of custody or legal guardianship, the caretaker will be treated as a visitor for 90 days. After the 90 days has elapsed, the caretaker will be considered a family member unless information is provided that would confirm that the caretaker's role is temporary. In such cases the PHA will extend the caretaker's status as an eligible visitor.
- (3) At any time that custody or guardianship legally has been awarded to a caretaker, the housing choice voucher will be transferred to the caretaker.
- (4) During any period that a caretaker is considered a visitor, the income of the caretaker is not counted in annual income and the caretaker does not qualify the family for any deductions from income.

## **6-I.C. ANTICIPATING ANNUAL INCOME**

The PHA is required to count all income “anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date” [24 CFR 5.609(a)(2)]. Policies related to anticipating annual income are provided below.

### **Basis of Annual Income Projection**

The PHA generally will use current circumstances to determine anticipated income for the coming 12-month period. HUD authorizes the PHA to use other than current circumstances to anticipate income when:

- An imminent change in circumstances is expected [HCV GB, p. 5-17]
- It is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income) [24 CFR 5.609(d)]
- The PHA believes that past income is the best available indicator of expected future income [24 CFR 5.609(d)]

PHAs are required to use HUD’s Enterprise Income Verification (EIV) system in its entirety as a third party source to verify employment and income information, and to reduce administrative subsidy payment errors in accordance with HUD administrative guidance [24 CFR 5.233(a)(2)].

HUD allows PHAs to use tenant-provided documents (pay stubs) to project income once EIV data has been received in such cases where the family does not dispute the EIV employer data and where the PHA does not determine it is necessary to obtain additional third-party data.

#### PHA Policy

When EIV is obtained and the family does not dispute the EIV employer data, the PHA will use current tenant-provided documents to project annual income. When the tenant-provided documents are pay stubs, the PHA will make every effort to obtain current and consecutive pay stubs dated within the last 60 days.

The PHA will obtain written and/or oral third-party verification in accordance with the verification requirements and policy in Chapter 7 in the following cases:

If EIV or other UIV data is not available,

If the family disputes the accuracy of the EIV employer data, and/or

If the PHA determines additional information is needed.

In such cases, the PHA will review and analyze current data to anticipate annual income. In all cases, the family file will be documented with a clear record of the reason for the decision, and a clear audit trail will be left as to how the PHA annualized projected income.

When the PHA cannot readily anticipate income based upon current circumstances (e.g., in the case of seasonal employment, unstable working hours, or suspected fraud), the PHA will review and analyze historical data for patterns of employment, paid benefits, and receipt of other income and use the results of this analysis to establish annual income.

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

### ***Known Changes in Income***

If the PHA verifies an upcoming increase or decrease in income, annual income will be calculated by applying each income amount to the appropriate part of the 12-month period.

**Example:** An employer reports that a full-time employee who has been receiving \$8/hour will begin to receive \$8.25/hour in the eighth week after the effective date of the reexamination. In such a case the PHA would calculate annual income as follows:  
( $\$8/\text{hour} \times 40 \text{ hours} \times 7 \text{ weeks}$ ) + ( $\$8.25 \times 40 \text{ hours} \times 45 \text{ weeks}$ ).

The family may present information that demonstrates that implementing a change before its effective date would create a hardship for the family. In such cases the PHA will calculate annual income using current circumstances and then require an interim reexamination when the change actually occurs. This requirement will be imposed even if the PHA's policy on reexaminations does not require interim reexaminations for other types of changes.

When tenant-provided third-party documents are used to anticipate annual income, they will be dated within the last 60 days of the reexamination interview date.

### **Projecting Income**

In HUD's EIV webcast of January 2008, HUD made clear that PHAs are not to use EIV quarterly wages to project annual income.

## **6-I.D. EARNED INCOME**

### **Types of Earned Income Included in Annual Income**

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

The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services is included in annual income [24 CFR 5.609(b)(1)].

#### **PHA Policy**

For persons who regularly receive bonuses or commissions, the PHA will verify and then average amounts received for the two years preceding admission or reexamination. If only a one-year history is available, the PHA will use the prior year amounts. In either case the family may provide, and the PHA will consider, a credible justification for not using this history to anticipate future bonuses or commissions. If a new employee has not yet received any bonuses or commissions, the PHA will count only the amount estimated by the employer. The file will be documented appropriately.

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

All regular pay, special pay and allowances of a member of the Armed Forces are counted [24 CFR 5.609(b)(8)] except for the special pay to a family member serving in the Armed Forces who is exposed to hostile fire [24 CFR 5.609(c)(7)].

### **Types of Earned Income Not Counted in Annual Income**

#### ***Temporary, Nonrecurring, or Sporadic Income [24 CFR 5.609(c)(9)]***

This type of income (including gifts) is not included in annual income. Sporadic income includes temporary payments from the U.S. Census Bureau for employment lasting no longer than 180 days [Notice PIH 2009-19].

#### **PHA Policy**

Sporadic income is income that is not received periodically and cannot be reliably predicted. For example, the income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed.

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

Employment income earned by children (including foster children) under the age of 18 years is not included in annual income [24 CFR 5.609(c)(1)]. (See Eligibility chapter for a definition of *foster children*.)

#### ***Certain Earned Income of Full-Time Students***

Earnings in excess of \$480 for each full-time student 18 years old or older (except for the head, spouse, or cohead) are not counted [24 CFR 5.609(c)(11)]. To be considered "full-time," a student must be considered "full-time" by an educational institution with a degree or certificate program [HCV GB, p. 5-29].

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

Income earned by a live-in aide, as defined in [24 CFR 5.403], is not included in annual income [24 CFR 5.609(c)(5)]. (See Eligibility chapter for a full discussion of live-in aides.)

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

Income from some federal programs is specifically excluded from consideration as income [24 CFR 5.609(c)(17)], including:

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

### ***Resident Service Stipend***

Amounts received under a resident service stipend are not included in annual income. A resident service stipend is a modest amount (not to exceed \$200 per individual per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time [24 CFR 5.600(c)(8)(iv)].

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

Incremental earnings and benefits to any family member resulting from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff are excluded from annual income. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the training program [24 CFR 5.609(c)(8)(v)].

#### **PHA Policy**

The PHA defines *training program* as “a learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period to time. It is designed to lead to a higher level of proficiency, and it enhances the individual’s ability to obtain employment. It may have performance standards to measure proficiency. Training may include, but is not limited to: (1) classroom training in a specific occupational skill, (2) on-the-job training with wages subsidized by the program, or (3) basic education” [expired Notice PIH 98-2, p. 3].

The PHA defines *incremental earnings and benefits* as the difference between: (1) the total amount of welfare assistance and earnings of a family member prior to enrollment in a training program, and (2) the total amount of welfare assistance and earnings of the family member after enrollment in the program [expired Notice PIH 98-2, pp. 3–4].

In calculating the incremental difference, the PHA will use as the pre-enrollment income the total annualized amount of the family member’s welfare assistance and earnings reported on the family’s most recently completed HUD-50058.

End of participation in a training program must be reported in accordance with the PHA's interim reporting requirements.

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

Amounts received under training programs funded in whole or in part by HUD [24 CFR 5.609(c)(8)(i)] are excluded from annual income. Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD.

#### **PHA Policy**

To qualify as a training program, the program must meet the definition of *training program* provided above for state and local employment training programs.

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

Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j)), are excluded from annual income [24 CFR 5.609(c)(17)]. Although many families receive the EITC annually when they file taxes, an EITC can also be received throughout the year. The prorated share of the annual EITC is included in the employee's payroll check.

### ***Earned Income Disallowance***

The earned income disallowance for persons with disabilities is discussed in section 6-I.E below.

## **6-I.E. EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES [24 CFR 5.617; Streamlining Final Rule (SFR) Federal Register 3/8/16]**

The earned income disallowance (EID) encourages people with disabilities to enter the work force by not including the full value of increases in earned income for a period of time. The full text of 24 CFR 5.617 is included as Exhibit 6-4 at the end of this chapter. Eligibility criteria and limitations on the disallowance are summarized below.

### **Eligibility**

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

- Employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment. *Previously unemployed* includes a person who annually has earned not more than the minimum wage applicable to the community multiplied by 500 hours. The applicable minimum wage is the federal minimum wage unless there is a higher state or local minimum wage.
- Increased earnings by a family member who is a person with disabilities and whose earnings increase during participation in an economic self-sufficiency or job-training program. A self-sufficiency program includes a program designed to encourage, assist, train, or facilitate the economic independence of HUD-assisted families or to provide work to such families [24 CFR 5.603(b)].
- New employment or increased earnings by a family member who is a person with disabilities and who has received benefits or services under Temporary Assistance for Needy Families (TANF) or any other state program funded under Part A of Title IV of the Social Security Act within the past six months. If the benefits are received in the form of monthly maintenance, there is no minimum amount. If the benefits or services are received in a form other than monthly maintenance, such as one-time payments, wage subsidies, or transportation assistance, the total amount received over the six-month period must be at least \$500.

## **Calculation of the Disallowance**

Calculation of the earned income disallowance for an eligible member of a qualified family begins with a comparison of the member's current income with his or her "baseline income." The family member's baseline income is his or her income immediately prior to qualifying for the EID. The family member's baseline income remains constant throughout the period that he or she is participating in the EID. While qualification for the disallowance is the same for all families, calculation of the disallowance will differ depending on when the family member qualified for the EID. Participants qualifying prior to May 9, 2016 will have the disallowance calculated under the "Original Calculation Method" described below which requires a maximum lifetime disallowance period of up to 48 consecutive months. Participants qualifying on or after May 9, 2016 will be subject to the "Revised Calculation Method" Which shortens the lifetime disallowance period to 24 consecutive months.

Under both the original and new methods, the EID eligibility criteria, the benefit amount, the single lifetime eligibility requirement and the ability of the applicable family member to stop and restart employment during the eligibility period are the same.

### **Original Calculation Method**

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

During the initial 12-month exclusion period, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded. The 12 months are cumulative and need not be consecutive.

#### PHA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

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

During the second 12-month exclusion period, the exclusion is reduced to half (50 percent) of any increase in income attributable to employment or increased earnings. The 12 months are cumulative and need not be consecutive.

#### ***Lifetime Limitation***

The EID has a four-year (48-month) lifetime maximum. The four-year eligibility period begins at the same time that the initial exclusion period begins and ends 48 months later. The one-time eligibility for the EID applies even if the eligible individual begins to receive assistance from another housing agency, if the individual moves between public housing and Section 8 assistance, or if there are breaks in assistance.

#### PHA Policy

During the 48-month eligibility period, the PHA will schedule and conduct an interim reexamination each time there is a change in the family member's annual income that affects or is affected by the EID (e.g., when the family member's income falls to a level at or below his/her prequalifying income, when one of the exclusion periods ends, and at the end of the lifetime maximum eligibility period).

## **Revised Calculation Method**

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

During the initial exclusion period of 12 consecutive months, the full amount (100 percent) of any increase in income attributable to new employment or increased earnings is excluded.

#### PHA Policy

The initial EID exclusion period will begin on the first of the month following the date an eligible member of a qualified family is first employed or first experiences an increase in earnings.

### ***Second 12-Month Exclusion***

During the second exclusion period of 12 consecutive months, the PHA must exclude at least 50 percent of any increase in income attributable to employment or increased earnings.

#### PHA Policy

During the second 12-month exclusion period, the PHA will exclude 100 percent of any increase in income attributable to new employment or increased earnings.

### ***Lifetime Limitation***

The EID has a two-year (24-month) lifetime maximum. The two-year eligibility period begins at the same time that the initial exclusion period begins and ends 24 months later. During the 24-month period, an individual remains eligible for EID even if they begin to receive assistance from a different housing agency, move between public housing and Section 8 assistance, or have breaks in assistance.

## **6-I.F. BUSINESS INCOME [24 CFR 5.609(b)(2)]**

Annual income includes “the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family” [24 CFR 5.609(b)(2)].

### **Business Expenses**

Net income is “gross income less business expense” [HCV GB, p. 5-19].

#### PHA Policy

To determine business expenses that may be deducted from gross income, the PHA will use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535], unless a topic is addressed by HUD regulations or guidance as described below.

Verification will include:

1. IRS Form 1040, including:  
Schedule C (Small Business)  
Schedule E (Rental Property Income)  
Schedule F (Farm Income)
2. If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules.
3. Audited or unaudited financial statement(s) of the business.
4. Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.
5. Family's self-certification as to net income realized from the business during previous years.
6. If the applicant/participant is operating a "cash and carry" operation (which may or may not be licensed), the PHA will require that the applicant/participant complete a form for each customer which indicates: name of person(s). If the family has a filed tax return, the family will be required to provide it.

## **Business Expansion**

HUD regulations do not permit the PHA to deduct from gross income expenses for business expansion.

### PHA Policy

*Business expansion* is defined as any capital expenditures made to add new business activities, to expand current facilities, or to operate the business in additional locations. For example, purchase of a street sweeper by a construction business for the purpose of adding street cleaning to the services offered by the business would be considered a business expansion. Similarly, the purchase of a property by a hair care business to open at a second location would be considered a business expansion.

## **Capital Indebtedness**

HUD regulations do not permit the PHA to deduct from gross income the amortization of capital indebtedness.

### PHA Policy

*Capital indebtedness* is defined as the principal portion of the payment on a capital asset such as land, buildings, and machinery. This means the PHA will allow as a business expense interest, but not principal, paid on capital indebtedness.

## **Negative Business Income**

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

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

HUD regulations require the PHA to include in annual income the withdrawal of cash or assets from the operation of a business or profession unless the withdrawal reimburses a family member for cash or assets invested in the business by the family.

### PHA Policy

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

## **Co-owned Businesses**

### PHA Policy

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

## **6-I.G. ASSETS [24 CFR 5.609(b)(3); 24 CFR 5.603(b)]**

### **Overview**

There is no asset limitation for participation in the HCV program. However, HUD requires that the PHA include in annual income the anticipated “interest, dividends, and other net income of any kind from real or personal property” [24 CFR 5.609(b)(3)]. This section discusses how the income from various types of assets is determined. For most types of assets, the PHA must determine the value of the asset in order to compute income from the asset. Therefore, for each asset type, this section discusses:

- How the value of the asset will be determined
- How income from the asset will be calculated

Exhibit 6-1 provides the regulatory requirements for calculating income from assets [24 CFR 5.609(b)(3)], and Exhibit 6-3 provides the regulatory definition of *net family assets*. This section begins with a discussion of general policies related to assets and then provides HUD rules and PHA policies related to each type of asset.

Optional policies for family self-certification of assets are found in Chapter 7.

### **General Policies**

#### ***Income from Assets***

The PHA generally will use current circumstances to determine both the value of an asset and the anticipated income from the asset. As is true for all sources of income, HUD authorizes the PHA to use other than current circumstances to anticipate income when (1) an imminent change in circumstances is expected (2) it is not feasible to anticipate a level of income over 12 months or (3) the PHA believes that past income is the best indicator of anticipated income. For example, if a family member owns real property that typically receives rental income but the property is currently vacant, the PHA can take into consideration past rental income along with the prospects of obtaining a new tenant.

#### **PHA Policy**

Anytime current circumstances are not used to determine asset income, a clear rationale for the decision will be documented in the file. In such cases the family may present information and documentation to the PHA to show why the asset income determination does not represent the family’s anticipated asset income.

## ***Valuing Assets***

The calculation of asset income sometimes requires the PHA to make a distinction between an asset's market value and its cash value.

- The market value of an asset is its worth in the market (e.g., the amount a buyer would pay for real estate or the total value of an investment account).
- The cash value of an asset is its market value less all reasonable amounts that would be incurred when converting the asset to cash.

### PHA Policy

Reasonable costs that would be incurred when disposing of an asset include, but are not limited to, penalties for premature withdrawal, broker and legal fees, and settlement costs incurred in real estate transactions [HCV GB, p. 5-28].

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

Payments that are received in a single lump sum, such as inheritances, capital gains, lottery winnings, insurance settlements, and proceeds from the sale of property, are generally considered assets, not income. However, such lump-sum receipts are counted as assets only if they are retained by a family in a form recognizable as an asset (e.g., deposited in a savings or checking account) [RHIIP FAQs]. (For a discussion of lump-sum payments that represent the delayed start of a periodic payment, most of which are counted as income, see sections 6-I.H and 6-I.I.)

### ***Imputing Income from Assets [24 CFR 5.609(b)(3), Notice PIH 2012-29]***

When net family assets are \$5,000 or less, the PHA will include in annual income the actual income anticipated to be derived from the assets. When the family has net family assets in excess of \$5,000, the PHA will include in annual income the greater of (1) the actual income derived from the assets or (2) the imputed income. Imputed income from assets is calculated by multiplying the total cash value of all family assets by an average passbook savings rate as determined by the PHA.

- Note: The HUD field office no longer provides an interest rate for imputed asset income. The "safe harbor" is now for the PHA to establish a passbook rate within 0.75 percent of a national average.
- The PHA must review its passbook rate annually to ensure that it remains within 0.75 percent of the national average.

### PHA Policy

The PHA will initially set the imputed asset passbook rate within .75 percent of the national rate established by the Federal Deposit Insurance Corporation (FDIC).

The PHA will review the passbook rate annually, in December of each year. The rate will not be adjusted unless the current PHA rate is no longer within 0.75 percent of the national rate. If it is no longer within 0.75 percent of the national rate, the passbook rate will be adjusted accordingly.

Changes to the passbook rate will take effect on January 1 following the December review.

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

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

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

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

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

The regulation at 24 CFR 5.609(a)(4) specifies that annual income includes "amounts derived (during the 12-month period) from assets to which any member of the family has access."

#### PHA Policy

If an asset is owned by more than one person and any family member has unrestricted access to the asset, the PHA will count the full value of the asset. A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.

If an asset is owned by more than one person, including a family member, but the family member does not have unrestricted access to the asset, the PHA will prorate the asset according to the percentage of ownership. If no percentage is specified or provided for by state or local law, the PHA will prorate the asset evenly among all owners.

### ***Assets Disposed Of for Less than Fair Market Value [24 CFR 5.603(b)]***

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

### ***Minimum Threshold***

The *HVC Guidebook* permits the PHA to set a threshold below which assets disposed of for less than fair market value will not be counted [HCV GB, p. 5-27].

#### PHA Policy

The PHA will not include the value of assets disposed of for less than fair market value unless the cumulative fair market value of all assets disposed of during the past two years exceeds the gross amount received for the assets by more than \$1,000.

When the two-year period expires, the income assigned to the disposed asset(s) also expires. If the two-year period ends between annual recertifications, the family may request an interim recertification to eliminate consideration of the asset(s).

Assets placed by the family in nonrevocable trusts are considered assets disposed of for less than fair market value except when the assets placed in trust were received through settlements or judgments.

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

The regulation also specifies that assets are not considered disposed of for less than fair market value if they are disposed of as part of a separation or divorce settlement and the applicant or tenant receives important consideration not measurable in dollar terms.

#### PHA Policy

All assets disposed of as part of a separation or divorce settlement will be considered assets for which important consideration not measurable in monetary terms has been received. In order to qualify for this exemption, a family member must be subject to a formal separation or divorce settlement agreement established through arbitration, mediation, or court order.

### ***Foreclosure or Bankruptcy***

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

### ***Family Declaration***

#### PHA Policy

Families must sign a declaration form at initial certification and each annual recertification identifying all assets that have been disposed of for less than fair market value or declaring that no assets have been disposed of for less than fair market value. The PHA may verify the value of the assets disposed of if other information available to the PHA does not appear to agree with the information reported by the family.

## **Types of Assets**

### ***Checking and Savings Accounts***

For regular checking accounts and savings accounts, *cash value* has the same meaning as *market value*. If a checking account does not bear interest, the anticipated income from the account is zero.

#### PHA Policy

In determining the value of checking and savings accounts, the PHA will use the current balance.

In determining the anticipated income from an interest-bearing checking or savings account, the PHA will multiply the value of the account by the current rate of interest paid on the account.

### ***Investment Accounts Such as Stocks, Bonds, Saving Certificates, and Money Market Funds***

Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

#### PHA Policy

In determining the market value of an investment account, the PHA will use the value of the account on the most recent investment report.

How anticipated income from an investment account will be calculated depends on whether the rate of return is known. For assets that are held in an investment account with a known rate of return (e.g., savings certificates), asset income will be calculated based on that known rate (market value multiplied by rate of earnings). When the anticipated rate of return is not known (e.g., stocks), the PHA will calculate asset income based on the earnings for the most recent reporting period.

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

Equity (cash value) in a property or other capital asset is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset [HCV GB, p. 5-25].

#### PHA Policy

In determining the equity, the PHA will determine market value by examining RLID.org assessed market value for local tax purposes.

The PHA will first use the payoff amount for the loan (mortgage) as the unpaid balance to calculate equity. If the payoff amount is not available, the PHA will use the basic loan balance information to deduct from the market value in the equity calculation.

Equity in real property and other capital investments is considered in the calculation of asset income **except** for the following types of assets:

- Equity accounts in HUD homeownership programs [24 CFR 5.603(b)]
- The value of a home currently being purchased with assistance under the HCV program Homeownership Option for the first 10 years after the purchase date of the home [24 CFR 5.603(b), Notice PIH 2012-3]
- Equity in owner-occupied cooperatives and manufactured homes in which the family lives [HCV GB, p. 5-25]
- Equity in real property when a family member's main occupation is real estate [HCV GB, p. 5-25]. This real estate is considered a business asset, and income related to this asset will be calculated as described in section 6-I.F.
- Interests in Indian Trust lands [24 CFR 5.603(b)]
- Real property and capital assets that are part of an active business or farming operation [HCV GB, p. 5-25]

The PHA must also deduct from the equity the reasonable costs for converting the asset to cash. Using the formula for calculating equity specified above, the net cash value of real property is the market value of the loan (mortgage) minus the expenses to convert to cash [Notice PIH 2012-3].

#### PHA Policy

For the purposes of calculating expenses to convert to cash for real property, the PHA will use ten percent of the market value of the home.

A family may have real property as an asset in two ways: (1) owning the property itself and (2) holding a mortgage or deed of trust on the property. In the case of a property owned by a family member, the anticipated asset income generally will be in the form of rent or other payment for the use of the property. If the property generates no income, actual anticipated income from the asset will be zero.

In the case of a mortgage or deed of trust held by a family member, the outstanding balance (unpaid principal) is the cash value of the asset. The interest portion only of payments made to

the family in accordance with the terms of the mortgage or deed of trust is counted as anticipated asset income.

### PHA Policy

In the case of capital investments owned jointly with others not living in a family's unit, a prorated share of the property's cash value will be counted as an asset unless the PHA determines that the family receives no income from the property and is unable to sell or otherwise convert the asset to cash.

### ***Trusts***

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

#### *Revocable Trusts*

If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset [HCV GB, p. 5-25]. Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust.

#### *Nonrevocable Trusts*

In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset. However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate [24 CFR 5.603(b)]. (Periodic payments are covered in section 6-I.H. Lump-sum receipts are discussed earlier in this section.)

### ***Retirement Accounts***

#### *Company Retirement/Pension Accounts*

In order to correctly include or exclude as an asset any amount held in a company retirement or pension account by an employed person, the PHA must know whether the money is accessible before retirement [HCV GB, p. 5-26].

While a family member is employed, only the amount the family member can withdraw without retiring or terminating employment is counted as an asset [HCV GB, p. 5-26].

After a family member retires or terminates employment, any amount distributed to the family member is counted as a periodic payment or a lump-sum receipt, as appropriate [HCV GB, p. 5-26], except to the extent that it represents funds invested in the account by the family member. (For more on periodic payments, see section 6-I.H.) The balance in the account is counted as an asset only if it remains accessible to the family member.

#### *IRA, Keogh, and Similar Retirement Savings Accounts*

IRA, Keogh, and similar retirement savings accounts are counted as assets even though early withdrawal would result in a penalty [HCV GB, p. 5-25].

### ***Personal Property***

Personal property held as an investment, such as gems, jewelry, coin collections, antique cars, etc., is considered an asset [HCV GB, p. 5-25].

#### PHA Policy

In determining the value of personal property held as an investment, the PHA will use the family's estimate of the value. The PHA may obtain an appraisal to confirm the value of the asset if there is reason to believe that the family's estimated value is off by \$50 or more. The family must cooperate with the appraiser, but cannot be charged any costs related to the appraisal.

Generally, personal property held as an investment generates no income until it is disposed of. If regular income is generated (e.g., income from renting the personal property), the amount that is expected to be earned in the coming year is counted as actual income from the asset.

Necessary items of personal property are not considered assets [24 CFR 5.603(b)].

#### PHA Policy

Necessary personal property consists of only those items not held as an investment, and may include clothing, furniture, household furnishings, jewelry, and vehicles, including those specially equipped for persons with disabilities.

### ***Life Insurance***

The cash value of a life insurance policy available to a family member before death, such as a whole life or universal life policy, is included in the calculation of the value of the family's assets [HCV GB 5-25]. The cash value is the surrender value. If such a policy earns dividends or interest that the family could elect to receive, the anticipated amount of dividends or interest is counted as income from the asset whether or not the family actually receives it.

## **6-I.H. PERIODIC PAYMENTS**

Periodic payments are forms of income received on a regular basis. HUD regulations specify periodic payments that are and are not included in annual income.

### **Periodic Payments Included in Annual Income**

- Periodic payments from sources such as social security, unemployment and welfare assistance, annuities, insurance policies, retirement funds, and pensions. However, periodic payments from retirement accounts, annuities, and similar forms of investments are counted only after they exceed the amount contributed by the family [24 CFR 5.609(b)(4) and (b)(3)].
- Disability or death benefits and lottery receipts paid periodically, rather than in a single lump sum [24 CFR 5.609(b)(4) and HCV, p. 5-14].

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

Most lump-sums received as a result of delays in processing periodic payments, such as unemployment or welfare assistance, are counted as income. However, lump-sum receipts for the delayed start of periodic social security or supplemental security income (SSI) payments are not counted as income. Additionally, any deferred disability benefits that are received in a lump-sum or in prospective monthly amounts from the Department of Veterans Affairs are to be excluded from annual income [24 CFR 5.609(c)(14)].

#### PHA Policy

When a delayed-start payment is received and reported during the period in which the PHA is processing an annual reexamination, the PHA will adjust the family share and PHA subsidy retroactively for the period the payment was intended to cover. The family may pay in full any amount due or request to enter into a repayment agreement with the PHA.

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

The PHA must make a special calculation of annual income when the Social Security Administration (SSA) overpays an individual, resulting in a withholding or deduction from his or her benefit amount until the overpayment is paid in full. The amount and duration of the withholding will vary depending on the amount of the overpayment and the percent of the benefit rate withheld. Regardless of the amount withheld or the length of the withholding period, the PHA must use the reduced benefit amount after deducting only the amount of the overpayment withholding from the gross benefit amount [Notice PIH 2012-10].

## Periodic Payments Excluded from Annual Income

- Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the assisted family, who are unable to live alone) [24 CFR 5.609(c)(2)]. Kinship guardianship assistance payments (Kin-GAP) and other similar guardianship payments are treated the same as foster care payments and are likewise excluded from annual income [Notice PIH 2012-1].

### PHA Policy

The PHA will exclude payments for the care of foster children and foster adults only if the care is provided through an official arrangement with a local welfare agency [HCV GB, p. 5-18].

- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)].
- Amounts received under the Low-Income Home Energy Assistance Program (42 U.S.C. 1626(c)) [24 CFR 5.609(c)(17)].
- Amounts received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q) [24 CFR 5.609(c)(17)].
- Earned Income Tax Credit (EITC) refund payments (26 U.S.C. 32(j)) [24 CFR 5.609(c)(17)].  
*Note:* EITC may be paid periodically if the family elects to receive the amount due as part of payroll payments from an employer.
- Lump-sums received as a result of delays in processing Social Security and SSI payments (see section 6-I.H.) [24 CFR 5.609(c)(14)].
- Lump-sums or prospective monthly amounts received as deferred disability benefits from the Department of Veterans Affairs (VA) [24 CFR 5.609(c)(14)].

## **6-I.I. PAYMENTS IN LIEU OF EARNINGS**

Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income [24 CFR 5.609(b)(5)] if they are received either in the form of periodic payments or in the form of a lump-sum amount or prospective monthly amounts for the delayed start of a periodic payment. If they are received in a one-time lump sum (as a settlement, for instance), they are treated as lump-sum receipts [24 CFR 5.609(c)(3)]. (See also the discussion of periodic payments in section 6-I.H and the discussion of lump-sum receipts in section 6-I.G.)

## **6-I.J. WELFARE ASSISTANCE**

### **Overview**

Welfare assistance is counted in annual income. Welfare assistance includes Temporary Assistance for Needy Families (TANF) and any payments to individuals or families based on need that are made under programs funded separately or jointly by federal, state, or local governments [24 CFR 5.603(b)].

### **Sanctions Resulting in the Reduction of Welfare Benefits [24 CFR 5.615]**

The PHA must make a special calculation of annual income when the welfare agency imposes certain sanctions on certain families. The full text of the regulation at 24 CFR 5.615 is provided as Exhibit 6-5. The requirements are summarized below. This rule applies only if a family was receiving HCV assistance at the time the sanction was imposed.

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

The families covered by 24 CFR 5.615 are those “who receive welfare assistance or other public assistance benefits (‘welfare benefits’) from a State or other public agency (‘welfare agency’) under a program for which Federal, State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance” [24 CFR 5.615(b)]

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

When a welfare agency imposes a sanction that reduces a family’s welfare income because the family commits fraud or fails to comply with the agency’s economic self-sufficiency program or work activities requirement, the PHA must include in annual income “imputed” welfare income. The PHA must request that the welfare agency provide the reason for the reduction of benefits and the amount of the reduction of benefits. The imputed welfare income is the amount that the benefits were reduced as a result of the sanction.

This requirement does not apply to reductions in welfare benefits: (1) at the expiration of the lifetime or other time limit on the payment of welfare benefits, (2) if a family member is unable to find employment even though the family member has complied with the welfare agency economic self-sufficiency or work activities requirements, or (3) because a family member has not complied with other welfare agency requirements [24 CFR 5.615(b)(2)].

#### ***Offsets***

The amount of the imputed welfare income is offset by the amount of additional income the family begins to receive after the sanction is imposed. When the additional income equals or exceeds the imputed welfare income, the imputed income is reduced to zero [24 CFR 5.615(c)(4)].

## **6-I.K. PERIODIC AND DETERMINABLE ALLOWANCES [24 CFR 5.609(b)(7)]**

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

### **Alimony and Child Support**

The PHA must count alimony or child support amounts awarded as part of a divorce or separation agreement.

#### PHA Policy

The PHA will count court-awarded amounts for alimony and child support unless the PHA verifies that: (1) the payments are not being made, and (2) the family has made reasonable efforts to collect amounts due, including filing with courts or agencies responsible for enforcing payments [HCV GB, pp. 5-23 and 5-47].

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

### **Regular Contributions or Gifts**

The PHA must count as income regular monetary and nonmonetary contributions or gifts from persons not residing with an assisted family [24 CFR 5.609(b)(7)]. Temporary, nonrecurring, or sporadic income and gifts are not counted [24 CFR 5.609(c)(9)].

#### PHA Policy

Examples of regular contributions include: (1) regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments), (2) cash or other liquid assets provided to any family member on a regular basis, and (3) "in-kind" contributions such as groceries and clothing provided to a family on a regular basis.

Nonmonetary contributions will be valued at the cost of purchasing the items, as determined by the PHA. For contributions that may vary from month to month (e.g., utility payments), the PHA will include an average amount based upon past history.

## **6-I.L. STUDENT FINANCIAL ASSISTANCE [24 CFR 5.609(b)(9); Notice PIH 2015-21]**

In 2005, Congress passed a law (for Section 8 programs only) requiring that certain student financial assistance be included in annual income. Prior to that, the full amount of student financial assistance was excluded. For some students, the full exclusion still applies.

### **Student Financial Assistance Included in Annual Income [24 CFR 5.609(b)(9); FR 4/10/06; Notice PIH 2015-21]**

The regulation requiring the inclusion of certain student financial assistance applies only to students who satisfy all of the following conditions:

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

For students who satisfy these three conditions, any financial assistance in excess of tuition and any other required fees and charges received: (1) under the 1965 HEA, (2) from a private source, or (3) from an institution of higher education, as defined under the 1965 HEA, must be included in annual income.

To determine annual income in accordance with the above requirements, the PHA will use the definitions of *dependent child*, *institution of higher education*, and *parents* in section 3-II.E, along with the following definitions [FR 4/10/06, pp. 18148-18150]:

- *Assistance under the Higher Education Act of 1965* includes Pell Grants, Federal Supplement Educational Opportunity Grants, Academic Achievement Incentive Scholarships, State Assistance under the Leveraging Educational Assistance Partnership Program, the Robert G. Byrd Honors Scholarship Program, and Federal Work Study programs.
- *Assistance from private sources* means assistance from nongovernmental sources, including parents, guardians, and other persons not residing with the student in an HCV assisted unit.
- *Tuition and fees* are defined in the same manner in which the Department of Education defines *tuition and fees* [Notice PIH 2015-21].
  - This is the amount of tuition and required fees covering a full academic year most frequently charged to students.
  - The amount represents what a typical student would be charged and may not be the same for all students at an institution.
  - If tuition is charged on a per-credit-hour basis, the average full-time credit hour load for an academic year is used to estimate average tuition.

- Required fees include all fixed-sum charges that are required of a large proportion of all students. Examples include, but are not limited to, writing and science lab fees and fees specific to the student's major or program (i.e., nursing program).
- Expenses related to attending an institution of higher education must **not** be included as tuition. Examples include, but are not limited to, room and board, books, supplies, meal plans, transportation and parking, student health insurance plans, and other non-fixed-sum charges.

**Student Financial Assistance Excluded from Annual Income [24 CFR 5.609(c)(6)]**

Any student financial assistance not subject to inclusion under 24 CFR 5.609(b)(9) is fully excluded from annual income under 24 CFR 5.609(c)(6), whether it is paid directly to the student or to the educational institution the student is attending. This includes any financial assistance received by:

- Students residing with parents who are seeking or receiving Section 8 assistance
- Students who are enrolled in an educational institution that does **not** meet the 1965 HEA definition of *institution of higher education*
- Students who are over 23 **AND** have at least one dependent child, as defined in section 3-II.E
- Students who are receiving financial assistance through a governmental program not authorized under the 1965 HEA.

## 6-I.M. ADDITIONAL EXCLUSIONS FROM ANNUAL INCOME

Other exclusions contained in 24 CFR 5.609(c) that have not been discussed earlier in this chapter include the following:

- Reimbursement of medical expenses [24 CFR 5.609(c)(4)]
- Amounts received by participants in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program [24 CFR 5.609(c)(8)(iii)]
- Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS) [(24 CFR 5.609(c)(8)(ii)]
- Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era [24 CFR 5.609(c)(10)]
- Adoption assistance payments in excess of \$480 per adopted child [24 CFR 5.609(c)(12)]
- Refunds or rebates on property taxes paid on the dwelling unit [24 CFR 5.609(c)(15)]
- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home [24 CFR 5.609(c)(16)]
- Amounts specifically excluded by any other federal statute [24 CFR 5.609(c)(17), FR Notice 5/20/14]. HUD publishes an updated list of these exclusions periodically. It includes:
  - (a) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017 (b))
  - (b) Benefits under Section 1780 of the School Lunch Act and Child Nutrition Act of 1966, including WIC
  - (c) Payments to volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058)
  - (d) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
  - (e) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
  - (f) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
  - (g) Payments received under programs funded in whole or in part under the Workforce Investment Act of 1998 (29 U.S.C. 2931)
  - (h) Deferred disability benefits from the Department of Veterans Affairs, whether received as a lump sum or in monthly prospective amounts
  - (i) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04)

- (j) Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
- (k) A lump sum or periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the United States District Court case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, for a period of one year from the time of receipt of that payment as provided in the Claims Resolution Act of 2010
- (l) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U. S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408)
- (m) Benefits under the Indian Veterans Housing Opportunity Act of 2010 (only applies to Native American housing programs)
- (n) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f))
- (o) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in *In Re Agent Orange* product liability litigation, M.D.L. No. 381 (E.D.N.Y.)
- (p) Payments received under 38 U.S.C. 1833(c) to children of Vietnam veterans born with spinal bifida, children of women Vietnam veterans born with certain birth defects, and children of certain Korean service veterans born with spinal bifida
- (q) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721)
- (r) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
- (s) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j))
- (t) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433)
- (u) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965j, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in § 237 of Public Law 109-249 applies and requires that the amount of financial assistance in excess of tuition and mandatory fees shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109-249) (See Section 6-I.L. for exceptions.)
- (v) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))

- (w) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602)
- (x) Any amounts in an "individual development account" as provided by the Assets for Independence Act, as amended in 2002
- (y) Payments made from the proceeds of Indian tribal trust cases as described in Notice PIH 2013-30, "Exclusion from Income of Payments under Recent Tribal Trust Settlements" (25 U.S.C. 117b(a))
- (z) Major disaster and emergency assistance received under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and comparable disaster assistance provided by states, local governments, and disaster assistance organizations

## PART II: ADJUSTED INCOME

### 6-II.A. INTRODUCTION

#### Overview

HUD regulations require PHAs to deduct from annual income any of five mandatory deductions for which a family qualifies. The resulting amount is the family's adjusted income. Mandatory deductions are found in 24 CFR 5.611.

5.611(a) Mandatory deductions. In determining adjusted income, the responsible entity [PHA] must deduct the following amounts from annual income:

- (1) \$480 for each dependent;
- (2) \$400 for any elderly family or disabled family;
- (3) The sum of the following, to the extent the sum exceeds three percent of annual income:
  - (i) Unreimbursed medical expenses of any elderly family or disabled family;
  - (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; and
- (4) Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

This part covers policies related to these mandatory deductions. Verification requirements related to these deductions are found in Chapter 7.

#### Anticipating Expenses

##### PHA Policy

Generally, the PHA will use current circumstances to anticipate expenses. When possible, for costs that are expected to fluctuate during the year (e.g., child care during school and nonschool periods and cyclical medical expenses), the PHA will estimate costs based on historic data and known future costs.

If a family has an accumulated debt for medical or disability assistance expenses, the PHA will include as an eligible expense the portion of the debt that the family expects to pay during the period for which the income determination is being made. However, amounts previously deducted will not be allowed even if the amounts were not paid as expected in a preceding period. The PHA may require the family to provide documentation of payments made in the preceding year.

### **6-II.B. DEPENDENT DEDUCTION**

An allowance of \$480 is deducted from annual income for each dependent [24 CFR 5.611(a)(1)]. *Dependent* is defined as any family member other than the head, spouse, or cohead who is under the age of 18 or who is 18 or older and is a person with disabilities or a full-time student. Foster children, foster adults, and live-in aides are never considered dependents [24 CFR 5.603(b)].

### **6-II.C. ELDERLY OR DISABLED FAMILY DEDUCTION**

A single deduction of \$400 is taken for any elderly or disabled family [24 CFR 5.611(a)(2)]. An *elderly family* is a family whose head, spouse, cohead, or sole member is 62 years of age or older, and a *disabled family* is a family whose head, spouse, cohead, or sole member is a person with disabilities [24 CFR 5.403].

**6-II.D. MEDICAL EXPENSES DEDUCTION [24 CFR 5.611(a)(3)(i)]**

Unreimbursed medical expenses may be deducted to the extent that, in combination with any disability assistance expenses, they exceed three percent of annual income.

The medical expense deduction is permitted only for families in which the head, spouse, or cohead is at least 62 or is a person with disabilities. If a family is eligible for a medical expense deduction, the medical expenses of all family members are counted [VG, p. 28].

**Definition of *Medical Expenses***

HUD regulations define *medical expenses* at 24 CFR 5.603(b) to mean “medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance.”

PHA Policy

The most current IRS Publication 502, *Medical and Dental Expenses*, will be used as a reference to determine the costs that qualify as medical expenses. In addition to costs allowed by the IRS, the PHA will allow all necessary costs incurred for service and assistance animals as defined in Notice FHEO 2013-01, included as Exhibit 6-6.

<b>Summary of Allowable Medical Expenses from IRS Publication 502</b>	
<p>Services of medical professionals</p> <p>Surgery and medical procedures that are necessary, legal, noncosmetic</p> <p>Services of medical facilities</p> <p>Hospitalization, long-term care, and in-home nursing services</p> <p>Prescription medicines and insulin, but <u>not</u> nonprescription medicines even if recommended by a doctor</p> <p>Improvements to housing directly related to medical needs (e.g., ramps for a wheel chair, handrails)</p> <p>Substance abuse treatment programs</p>	<p>Ambulance services and some costs of transportation related to medical expenses</p> <p>The cost and care of necessary equipment related to a medical condition (e.g., eyeglasses/lenses, hearing aids, crutches, and artificial teeth)</p> <p>Cost and continuing care of necessary service animals</p> <p>Medical insurance premiums or the cost of a health maintenance organization (HMO)</p> <p>Psychiatric treatment</p>
<p><b>Note:</b> This chart provides a summary of eligible medical expenses only. Detailed information is provided in IRS Publication 502. Medical expenses are considered only to the extent they are not reimbursed by insurance or some other source.</p>	

## **Families That Qualify for Both Medical and Disability Assistance Expenses**

### PHA Policy

This policy applies only to families in which the head, spouse, or cohead is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the PHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

## **6-II.E. DISABILITY ASSISTANCE EXPENSES DEDUCTION [24 CFR 5.603(b) and 24 CFR 5.611(a)(3)(ii)]**

Reasonable expenses for attendant care and auxiliary apparatus for a disabled family member may be deducted if they: (1) are necessary to enable a family member 18 years or older to work, (2) are not paid to a family member or reimbursed by an outside source, (3) in combination with any medical expenses, exceed three percent of annual income, and (4) do not exceed the earned income received by the family member who is enabled to work.

### **Earned Income Limit on the Disability Assistance Expense Deduction**

A family can qualify for the disability assistance expense deduction only if at least one family member (who may be the person with disabilities) is enabled to work [24 CFR 5.603(b)].

The disability expense deduction is capped by the amount of “earned income received by family members who are 18 years of age or older and who are able to work” because of the expense [24 CFR 5.611(a)(3)(ii)]. The earned income used for this purpose is the amount verified before any earned income disallowances or income exclusions are applied.

#### PHA Policy

The family must identify the family members enabled to work as a result of the disability assistance expenses. In evaluating the family’s request, the PHA will consider factors such as how the work schedule of the relevant family members relates to the hours of care provided, the time required for transportation, the relationship of the family members to the person with disabilities, and any special needs of the person with disabilities that might determine which family members are enabled to work.

When the PHA determines that the disability assistance expenses enable more than one family member to work, the expenses will be capped by the sum of the family members’ incomes.

## **Eligible Disability Expenses**

Examples of auxiliary apparatus are provided in the *HCV Guidebook* as follows: “Auxiliary apparatus are items such as wheelchairs, ramps, adaptations to vehicles, or special equipment to enable a blind person to read or type, but only if these items are directly related to permitting the disabled person or other family member to work” [HCV GB, p. 5-30].

HUD advises PHAs to further define and describe auxiliary apparatus [VG, p. 30].

### ***Eligible Auxiliary Apparatus***

#### PHA Policy

Expenses incurred for maintaining or repairing an auxiliary apparatus are eligible. In the case of an apparatus that is specially adapted to accommodate a person with disabilities (e.g., a vehicle or computer), the cost to maintain the special adaptations (but not maintenance of the apparatus itself) is an eligible expense. The cost of service animals trained to give assistance to persons with disabilities, including the cost of acquiring the animal, veterinary care, food, grooming, and other continuing costs of care, will be included.

### ***Eligible Attendant Care***

The family determines the type of attendant care that is appropriate for the person with disabilities.

#### PHA Policy

Attendant care includes, but is not limited to, reasonable costs for home medical care, nursing services, in-home or center-based care services, interpreters for persons with hearing impairments, and readers for persons with visual disabilities.

Attendant care expenses will be included for the period that the person enabled to work is employed plus reasonable transportation time. The cost of general housekeeping and personal services is not an eligible attendant care expense. However, if the person enabled to work is the person with disabilities, personal services necessary to enable the person with disabilities to work are eligible.

If the care attendant also provides other services to the family, the PHA will prorate the cost and allow only that portion of the expenses attributable to attendant care that enables a family member to work. For example, if the care provider also cares for a child who is not the person with disabilities, the cost of care must be prorated. Unless otherwise specified by the care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

### ***Payments to Family Members***

No disability assistance expenses may be deducted for payments to a member of an assisted family [24 CFR 5.603(b)]. However, expenses paid to a relative who is not a member of the assisted family may be deducted if they are not reimbursed by an outside source.

### **Necessary and Reasonable Expenses**

The family determines the type of care or auxiliary apparatus to be provided and must describe how the expenses enable a family member to work. The family must certify that the disability assistance expenses are necessary and are not paid or reimbursed by any other source.

#### PHA Policy

The PHA determines the reasonableness of the expenses based on typical costs of care or apparatus in the locality. To establish typical costs, the PHA will collect information from organizations that provide services and support to persons with disabilities. A family may present, and the PHA will consider, the family's justification for costs that exceed typical costs in the area.

### **Families That Qualify for Both Medical and Disability Assistance Expenses**

#### PHA Policy

This policy applies only to families in which the head or spouse is 62 or older or is a person with disabilities.

When expenses anticipated by a family could be defined as either medical or disability assistance expenses, the PHA will consider them medical expenses unless it is clear that the expenses are incurred exclusively to enable a person with disabilities to work.

## **6-II.F. CHILD CARE EXPENSE DEDUCTION**

HUD defines *child care expenses* at 24 CFR 5.603(b) as “amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.”

### **Clarifying the Meaning of *Child* for This Deduction**

Child care expenses do not include child support payments made to another on behalf of a minor who is not living in an assisted family’s household [VG, p. 26]. However, child care expenses for foster children that are living in the assisted family’s household are included when determining the family’s child care expenses [HCV GB, p. 5-29].

### **Qualifying for the Deduction**

#### ***Determining Who Is Enabled to Pursue an Eligible Activity***

##### PHA Policy

The family must identify the family member(s) enabled to pursue an eligible activity. The term *eligible activity* in this section means any of the activities that may make the family eligible for a child care deduction (seeking work, pursuing an education, or being gainfully employed).

In evaluating the family’s request, the PHA will consider factors such as how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

#### ***Seeking Work***

##### PHA Policy

If the child care expense being claimed is to enable a family member to seek employment, the family must provide evidence of the family member’s efforts to obtain employment at each reexamination. The deduction may be reduced or denied if the family member’s job search efforts are not commensurate with the child care expense being allowed by the PHA.

### ***Furthering Education***

#### PHA Policy

If the child care expense being claimed is to enable a family member to further his or her education, the member must be enrolled in school (academic or vocational) or participating in a formal training program. The family member is not required to be a full-time student, but the time spent in educational activities must be commensurate with the child care claimed.

### ***Being Gainfully Employed***

#### PHA Policy

If the child care expense being claimed is to enable a family member to be gainfully employed, the family must provide evidence of the family member's employment during the time that child care is being provided. Gainful employment is any legal work activity (full- or part-time) for which a family member is compensated.

## **Earned Income Limit on Child Care Expense Deduction**

When a family member looks for work or furthers his or her education, there is no cap on the amount that may be deducted for child care – although the care must still be necessary and reasonable. However, when child care enables a family member to work, the deduction is capped by “the amount of employment income that is included in annual income” [24 CFR 5.603(b)].

The earned income used for this purpose is the amount of earned income verified after any earned income disallowances or income exclusions are applied.

When the person who is enabled to work is a person with disabilities who receives the earned income disallowance (EID) or a full-time student whose earned income above \$480 is excluded, child care costs related to enabling a family member to work may not exceed the portion of the person’s earned income that actually is included in annual income. For example, if a family member who qualifies for the EID makes \$15,000 but because of the EID only \$5,000 is included in annual income, child care expenses are limited to \$5,000.

The PHA must not limit the deduction to the least expensive type of child care. If the care allows the family to pursue more than one eligible activity, including work, the cap is calculated in proportion to the amount of time spent working [HCV GB, p. 5-30].

### PHA Policy

When the child care expense being claimed is to enable a family member to work, only one family member’s income will be considered for a given period of time. When more than one family member works during a given period, the PHA generally will limit allowable child care expenses to the earned income of the lowest-paid member. The family may provide information that supports a request to designate another family member as the person enabled to work.

## **Eligible Child Care Expenses**

The type of care to be provided is determined by the assisted family. The PHA may not refuse to give a family the child care expense deduction because there is an adult family member in the household that may be available to provide child care [VG, p. 26].

### ***Allowable Child Care Activities***

#### PHA Policy

For school-age children, costs attributable to public or private school activities during standard school hours are not considered. Expenses incurred for supervised activities after school or during school holidays (e.g., summer day camp, after-school sports league) are allowable forms of child care.

The costs of general housekeeping and personal services are not eligible. Likewise, child care expenses paid to a family member who lives in the family's unit are not eligible; however, payments for child care to relatives who do not live in the unit are eligible.

If a child care provider also renders other services to a family or child care is used to enable a family member to conduct activities that are not eligible for consideration, the PHA will prorate the costs and allow only that portion of the expenses that is attributable to child care for eligible activities. For example, if the care provider also cares for a child with disabilities who is 13 or older, the cost of care will be prorated. Unless otherwise specified by the child care provider, the calculation will be based upon the number of hours spent in each activity and/or the number of persons under care.

### *Necessary and Reasonable Costs*

Child care expenses will be considered necessary if: (1) a family adequately explains how the care enables a family member to work, actively seek employment, or further his or her education, and (2) the family certifies, and the child care provider verifies, that the expenses are not paid or reimbursed by any other source.

#### PHA Policy

Child care expenses will be considered for the time required for the eligible activity plus reasonable transportation time. For child care that enables a family member to go to school, the time allowed may include not more than one study hour for each hour spent in class.

To establish the reasonableness of child care costs, the PHA will use the schedule of child care costs from the local welfare agency. Families may present, and the PHA will consider, justification for costs that exceed typical costs in the area.

## **PART III: CALCULATING FAMILY SHARE AND PHA SUBSIDY**

### **6-III.A. OVERVIEW OF RENT AND SUBSIDY CALCULATIONS**

#### **TTP Formula [24 CFR 5.628]**

HUD regulations specify the formula for calculating the total tenant payment (TTP) for an assisted family. TTP is the highest of the following amounts, rounded to the nearest dollar:

- 30 percent of the family's monthly adjusted income (adjusted income is defined in Part II)
- 10 percent of the family's monthly gross income (annual income, as defined in Part I, divided by 12)
- The welfare rent (in as-paid states only)
- A minimum rent between \$0 and \$50 that is established by the PHA

The PHA has authority to suspend and exempt families from minimum rent when a financial hardship exists, as defined in section 6-III.B.

The amount that a family pays for rent and utilities (the family share) will never be less than the family's TTP but may be greater than the TTP depending on the rent charged for the unit the family selects.

#### ***Welfare Rent [24 CFR 5.628]***

##### PHA Policy

Welfare rent does not apply in this locality.

#### ***Minimum Rent [24 CFR 5.630]***

##### PHA Policy

The minimum rent for this locality is \$0.

#### **Family Share [24 CFR 982.305(a)(5)]**

If a family chooses a unit with a gross rent (rent to owner plus an allowance for tenant-paid utilities) that exceeds the PHA's applicable payment standard: (1) the family will pay more than the TTP, and (2) at initial occupancy the PHA may not approve the tenancy if it would require the family share to exceed 40 percent of the family's monthly adjusted income. The income used for this determination must have been verified no earlier than 60 days before the family's voucher was issued. (For a discussion of the application of payment standards, see section 6-III.C.)

### **PHA Subsidy [24 CFR 982.505(b)]**

The PHA will pay a monthly housing assistance payment (HAP) for a family that is equal to the lower of (1) the applicable payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP. (For a discussion of the application of payment standards, see section 6-III.C.)

### **Utility Reimbursement [24 CFR 982.514(b); 982.514(c)]**

When the PHA subsidy for a family exceeds the rent to owner, the family is due a utility reimbursement. HUD permits the PHA to pay the reimbursement to the family or directly to the utility provider.

#### PHA Policy

The PHA will make utility reimbursements to the utility provider.

The PHA may make all utility reimbursement payments to qualifying families on a monthly basis or may make quarterly payments when the monthly reimbursement amount is \$15.00 or less. Reimbursements must be made once per calendar-year quarter and must be prorated if the family leaves the program in advance of its next quarterly reimbursement. The PHA must also adopt hardship policies for families for whom receiving quarterly reimbursement would create a financial hardship.

#### PHA Policy

The PHA will issue all utility reimbursements monthly.

## **6-III.B. FINANCIAL HARDSHIPS AFFECTING MINIMUM RENT [24 CFR 5.630]**

### PHA Policy

The financial hardship rules described below do not apply in this jurisdiction because the PHA has established a minimum rent of \$0.

### **Overview**

If the PHA establishes a minimum rent greater than zero, the PHA must grant an exemption from the minimum rent if a family is unable to pay the minimum rent because of financial hardship.

The financial hardship exemption applies only to families required to pay the minimum rent. If a family's TTP is higher than the minimum rent, the family is not eligible for a hardship exemption. If the PHA determines that a hardship exists, the family share is the highest of the remaining components of the family's calculated TTP.

### **HUD-Defined Financial Hardship**

Financial hardship includes the following situations:

- (1) The family has lost eligibility for or is awaiting an eligibility determination for a federal, state, or local assistance program. This includes a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Act of 1996.
- (2) The family would be evicted because it is unable to pay the minimum rent.
- (3) Family income has decreased because of changed family circumstances, including the loss of employment.
- (4) A death has occurred in the family.
- (5) The family has experienced other circumstances determined by the PHA.

## Implementation of Hardship Exemption

### *Determination of Hardship*

When a family requests a financial hardship exemption, the PHA must suspend the minimum rent requirement beginning the first of the month following the family's request.

The PHA then determines whether the financial hardship exists and whether the hardship is temporary or long-term.

When the minimum rent is suspended, the family share reverts to the highest of the remaining components of the calculated TTP. The example below demonstrates the effect of the minimum rent exemption.

<b>Example: Impact of Minimum Rent Exemption</b>	
Assume the PHA has established a minimum rent of \$35.	
<b>Family Share – No Hardship</b>	<b>Family Share – With Hardship</b>
\$0 30% of monthly adjusted income	\$0 30% of monthly adjusted income
\$15 10% of monthly gross income	\$15 10% of monthly gross income
N/A Welfare rent	N/A Welfare rent
\$35 Minimum rent	\$35 Minimum rent
Minimum rent applies. TTP = \$35	Hardship exemption granted. TTP = \$15

### *No Financial Hardship*

If the PHA determines there is no financial hardship, the PHA will reinstate the minimum rent and require the family to repay the amounts suspended.

### *Temporary Hardship*

If the PHA determines that a qualifying financial hardship is temporary, the PHA must suspend the minimum rent for the 90-day period beginning the first of the month following the date of the family's request for a hardship exemption.

At the end of the 90-day suspension period, the family must resume payment of the minimum rent and must repay the PHA the amounts suspended. HUD requires the PHA to offer a reasonable repayment agreement, on terms and conditions established by the PHA. The PHA also may determine that circumstances have changed and the hardship is now a long-term hardship.

### *Long-Term Hardship*

If the PHA determines that the financial hardship is long-term, the PHA must exempt the family from the minimum rent requirement for so long as the hardship continues. The exemption will apply from the first of the month following the family's request until the end of the qualifying hardship. When the financial hardship has been determined to be long-term, the family is not required to repay the minimum rent.

## **6-III.C. APPLYING PAYMENT STANDARDS [24 CFR 982.505; 982.503(b)]**

### **Overview**

The PHA's schedule of payment standards is used to calculate housing assistance payments for HCV families. This section covers the application of the PHA's payment standards. The establishment and revision of the PHA's payment standard schedule are covered in Chapter 16.

*Payment standard* is defined as "the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family)" [24 CFR 982.4(b)].

The payment standard for a family is the lower of (1) the payment standard for the family unit size, which is defined as the appropriate number of bedrooms for the family under the PHA's subsidy standards [24 CFR 982.4(b)], or (2) the payment standard for the size of the dwelling unit rented by the family.

If the PHA has established an exception payment standard for a designated part of an FMR area and a family's unit is located in the exception area, the PHA must use the appropriate payment standard for the exception area.

The PHA is required to pay a monthly housing assistance payment (HAP) for a family that is the lower of (1) the payment standard for the family minus the family's TTP or (2) the gross rent for the family's unit minus the TTP.

If during the term of the HAP contract for a family's unit, the owner lowers the rent, the PHA will recalculate the HAP using the lower of the initial payment standard or the gross rent for the unit [HCV GB, p. 7-8].

### **Changes in Payment Standards**

When the PHA revises its payment standards during the term of the HAP contract for a family's unit, it will apply the new payment standards in accordance with HUD regulations.

#### ***Decreases***

If the amount on the payment standard schedule is decreased during the term of the HAP contract, the lower payment standard generally will be used beginning at the effective date of the family's second regular reexamination following the effective date of the decrease in the payment standard. The PHA will determine the payment standard for the family as follows:

**Step 1:** At the first regular reexamination following the decrease in the payment standard, the PHA will determine the payment standard for the family using the lower of the payment standard for the family unit size or the size of the dwelling unit rented by the family.

**Step 2:** The PHA will compare the payment standard from step 1 to the payment standard last used to calculate the monthly housing assistance payment for the family. The payment standard used by the PHA at the first regular reexamination following the decrease in the payment standard will be the higher of these two payment standards. The PHA will advise the family that the application of the lower payment standard will be deferred until the second regular reexamination following the effective date of the decrease in the payment standard.

**Step 3:** At the second regular reexamination following the decrease in the payment standard, the lower payment standard will be used to calculate the monthly housing assistance payment for the family unless the PHA has subsequently increased the payment standard, in which case the payment standard will be determined in accordance with procedures for increases in payment standards described below.

***Increases***

If the payment standard is increased during the term of the HAP contract, the increased payment standard will be used to calculate the monthly housing assistance payment for the family beginning on the effective date of the family's first regular reexamination on or after the effective date of the increase in the payment standard.

Families requiring or requesting interim reexaminations will not have their HAP payments calculated using the higher payment standard until their next annual reexamination [HCV GB, p. 7-8].

***Changes in Family Unit Size***

Irrespective of any increase or decrease in the payment standard, if the family unit size increases or decreases during the HAP contract term, the new family unit size must be used to determine the payment standard for the family beginning at the family's first regular reexamination following the change in family unit size.

***Reasonable Accommodation***

If a family requires a higher payment standard as a reasonable accommodation for a family member who is a person with disabilities, the PHA is allowed to establish a higher payment standard for the family of not more than 120 percent of the published FMR.

## **6-III.D. APPLYING UTILITY ALLOWANCES [24 CFR 982.517]**

### **Overview**

A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. A family's utility allowance is determined by the size of dwelling unit leased by a family or the voucher unit size for which the family qualifies using PHA subsidy standards, whichever is the lowest of the two. See Chapter 5 for information on the PHA's subsidy standards.

For policies on establishing and updating utility allowances, see Chapter 16.

### **Reasonable Accommodation**

HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the PHA's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, the PHA will approve an allowance for air-conditioning, even if the PHA has determined that an allowance for air-conditioning generally is not needed.

The family must request the higher allowance and provide the PHA with an explanation of the need for the reasonable accommodation and information about the amount of additional allowance required [HCV GB, p. 18-8].

### **Utility Allowance Revisions**

At reexamination, the PHA must use the PHA current utility allowance schedule [24 CFR 982.517(d)(2)].

#### PHA Policy

Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination that is effective after the allowance is adopted.

### **6-III.E. PRORATED ASSISTANCE FOR MIXED FAMILIES [24 CFR 5.520]**

HUD regulations prohibit assistance to ineligible family members. A *mixed family* is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible family members. The PHA must prorate the assistance provided to a mixed family. The PHA will first determine assistance as if all family members were eligible and then prorate the assistance based upon the percentage of family members that actually are eligible. For example, if the PHA subsidy for a family is calculated at \$500 and two of four family members are ineligible, the PHA subsidy would be reduced to \$250.

## EXHIBIT 6-1: ANNUAL INCOME INCLUSIONS

### 24 CFR 5.609

*(a) Annual income means all amounts, monetary or not, which:*

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

*(b) Annual income includes, but is not limited to:*

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;
- (4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) Welfare assistance payments.

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31<sup>1</sup>; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section)

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

<b>HHS DEFINITION OF "ASSISTANCE"</b>
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**45 CFR: GENERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES**

**260.31 What does the term "assistance" mean?**

(a)(1) The term "assistance" includes cash, payments, vouchers, and other forms of benefits designed to meet a family's ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses).

(2) It includes such benefits even when they are:

(i) Provided in the form of payments by a TANF agency, or other agency on its behalf, to individual recipients; and

(ii) Conditioned on participation in work experience or community service (or any other work activity under 261.30 of this chapter).

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<sup>1</sup> Text of 45 CFR 260.31 follows.

(3) Except where excluded under paragraph (b) of this section, it also includes supportive services such as transportation and child care provided to families who are not employed.

(b) [The definition of “assistance”] excludes: (1) Nonrecurrent, short-term benefits that:

- (i) Are designed to deal with a specific crisis situation or episode of need;
  - (ii) Are not intended to meet recurrent or ongoing needs; and
  - (iii) Will not extend beyond four months.
- (2) Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

(3) Supportive services such as child care and transportation provided to families who are employed;

(4) Refundable earned income tax credits;

(5) Contributions to, and distributions from, Individual Development Accounts;

(6) Services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and

(7) Transportation benefits provided under a Job Access or Reverse Commute project, pursuant to section 404(k) of [the Social Security] Act, to an individual who is not otherwise receiving assistance.

## EXHIBIT 6-2: ANNUAL INCOME EXCLUSIONS

### 24 CFR 5.609

(c) Annual income does not include the following:

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- (3) 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 (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in Sec. 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) (i) Amounts received under training programs funded by HUD;  
(ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;
- (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
- (9) Temporary, nonrecurring or sporadic income (including gifts);
- (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of \$480 per adopted child;

(13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See Section 6-I.M. for a list of benefits that qualify for this exclusion.]

## EXHIBIT 6-3: TREATMENT OF FAMILY ASSETS

### 24 CFR 5.603(b) Net Family Assets

(1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

(2) In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under Sec. 5.609.

(3) In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefor.

In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

(4) For purposes of determining annual income under Sec. 5.609, the term "net family assets" does not include the value of a home currently being purchased with assistance under part 982, subpart M of this title. This exclusion is limited to the first 10 years after the purchase date of the home.

**EXHIBIT 6-4: EARNED INCOME DISALLOWANCE FOR PERSONS WITH DISABILITIES**

**24 CFR 5.617 Self-sufficiency incentives for persons with disabilities—Disallowance of increase in annual income.**

*(a) Applicable programs.* The disallowance of earned income provided by this section is applicable only to the following programs: HOME Investment Partnerships Program (24 CFR part 92); Housing Opportunities for Persons with AIDS (24 CFR part 574); Supportive Housing Program (24 CFR part 583); and the Housing Choice Voucher Program (24 CFR part 982).

*(b) Definitions.* The following definitions apply for purposes of this section.

*Baseline income.* The annual income immediately prior to implementation of the disallowance described in paragraph (c)(1) of this section of a person with disabilities (who is a member of a qualified family).

*Disallowance.* Exclusion from annual income.

*Previously unemployed* includes a person with disabilities who has earned, in the twelve months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

*Qualified family.* A family residing in housing assisted under one of the programs listed in paragraph (a) of this section or receiving tenant-based rental assistance under one of the programs listed in paragraph (a) of this section.

(1) Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;

(2) Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or

(3) Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance-- provided that the total amount over a six-month period is at least \$500.

*(c) Disallowance of increase in annual income—*

(1) *Initial twelve month exclusion.* During the 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, the responsible entity must exclude from annual income (as defined in the regulations governing the applicable program listed in paragraph (a) of this section) of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over prior income of that family member.

(2) *Second twelve month exclusion and phase-in.* Upon expiration of the 12-month period defined in paragraph (c)(1) of this section and for the subsequent 12-month period, the responsible entity must exclude from annual income of a qualified family at least 50 percent of any increase in income of such family member as a result of employment over the family member's baseline income.

(3) *Maximum 2-year disallowance.*

The disallowance of increased income of an individual family member who is a person with disabilities as provided in paragraph (c)(1) or (c)(2) of this section is limited to a lifetime 24-month period. The disallowance applies for a maximum of 12 months for disallowance under paragraph (c)(1) of this section and a maximum of 12 months for disallowance under paragraph (c)(2) of this

section, during the 24- month period starting from the initial exclusion under paragraph (c)(1) of this section.

(4) *Effect of changes on currently participating families.* Families eligible for and participating in the disallowance of earned income under this section prior to *May 9, 2016* will continue to be governed by this section in effect as it existed immediately prior to that date (see 24 CFR parts 0 to 199, revised as of April 1, 2016).

(d) *Inapplicability to admission.* The disallowance of increases in income as a result of employment of persons with disabilities under this section does not apply for purposes of admission to the program (including the determination of income eligibility or any income targeting that may be applicable).

## EXHIBIT 6-5: THE EFFECT OF WELFARE BENEFIT REDUCTION

### 24 CFR 5.615

#### **Public housing program and Section 8 tenant-based assistance program: How welfare benefit reduction affects family income.**

*(a) Applicability.* This section applies to covered families who reside in public housing (part 960 of this title) or receive Section 8 tenant-based assistance (part 982 of this title).

*(b) Definitions.* The following definitions apply for purposes of this section:

*Covered families.* Families who receive welfare assistance or other public assistance benefits ("welfare benefits") from a State or other public agency ("welfare agency") under a program for which Federal, State, or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for such assistance.

*Economic self-sufficiency program.* See definition at Sec. 5.603.

*Imputed welfare income.* The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

*Specified welfare benefit reduction.*

(1) A reduction of welfare benefits by the welfare agency, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program; or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

(2) "Specified welfare benefit reduction" does not include a reduction or termination of welfare benefits by the welfare agency:

(i) at expiration of a lifetime or other time limit on the payment of welfare benefits;

(ii) because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements; or

(iii) because a family member has not complied with other welfare agency requirements.

*(c) Imputed welfare income.*

(1) A family's annual income includes the amount of imputed welfare income (because of a specified welfare benefits reduction, as specified in notice to the PHA by the welfare agency), plus the total amount of other annual income as determined in accordance with Sec. 5.609.

(2) At the request of the PHA, the welfare agency will inform the PHA in writing of the amount and term of any specified welfare benefit reduction for a family member, and the reason for such reduction, and will also inform the PHA of any subsequent changes in the term or amount of such specified welfare benefit reduction. The PHA will use this information to determine the amount of imputed welfare income for a family.

(3) A family's annual income includes imputed welfare income in family annual income, as determined at the PHA's interim or regular reexamination of family income and composition, during the term of the welfare benefits reduction (as specified in information provided to the PHA by the welfare agency).

(4) The amount of the imputed welfare income is offset by the amount of additional income a family receives that commences after the time the sanction was imposed. When such additional income from other sources is at least equal to the imputed

(5) The PHA may not include imputed welfare income in annual income if the family was not an assisted resident at the time of sanction.

*(d) Review of PHA decision.*

(1) Public housing. If a public housing tenant claims that the PHA has not correctly calculated the amount of imputed welfare income in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the tenant written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. The PHA notice shall also state that if the tenant does not agree with the PHA determination, the tenant may request a grievance hearing in accordance with part 966, subpart B of this title to review the PHA determination. The tenant is not required to pay an escrow deposit pursuant to Sec. 966.55(e) for the portion of tenant rent attributable to the imputed welfare income in order to obtain a grievance hearing on the PHA determination.

(2) Section 8 participant. A participant in the Section 8 tenant-based assistance program may request an informal hearing, in accordance with Sec. 982.555 of this title, to review the PHA determination of the amount of imputed welfare income that must be included in the family's annual income in accordance with this section. If the family claims that such amount is not correctly calculated in accordance with HUD requirements, and if the PHA denies the family's request to modify such amount, the PHA shall give the family written notice of such denial, with a brief explanation of the basis for the PHA determination of the amount of imputed welfare income. Such notice shall also state that if the family does not agree with the PHA determination, the family may request an informal hearing on the determination under the PHA hearing procedure.

*(e) PHA relation with welfare agency.*

(1) The PHA must ask welfare agencies to inform the PHA of any specified welfare benefits reduction for a family member, the reason for such reduction, the term of any such reduction, and any subsequent welfare agency determination affecting the amount or term of a specified welfare benefits reduction. If the welfare agency determines a specified welfare benefits reduction for a family member, and gives the PHA written notice of such reduction, the family's annual incomes shall include the imputed welfare income because of the specified welfare benefits reduction.

(2) The PHA is responsible for determining the amount of imputed welfare income that is included in the family's annual income as a result of a specified welfare benefits reduction as determined by the welfare agency, and specified in the notice by the welfare agency to the PHA. However, the PHA is not responsible for determining whether a reduction of welfare benefits by the welfare agency was correctly determined by the welfare agency in accordance with welfare program requirements and procedures, nor for providing the opportunity for review or hearing on such welfare agency determinations.

(3) Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. The PHA shall be entitled to rely on the welfare agency notice to the PHA of the welfare agency's determination of a specified welfare benefits reduction.





Exhibit 6-6

**SPECIAL ATTENTION OF:**

HUD Regional and Field Office Directors  
of Public and Indian Housing (PIH); Housing;  
Community Planning and Development (CPD), Fair  
Housing and Equal Opportunity; and Regional Counsel;  
CPO, PIH and Housing Program Providers

FHEO Notice: FHEO-2013-01  
Issued: April 25, 2013  
Expires: Effective until  
Amended, Superseded, or  
Rescinded

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**Subject: Service Animals and Assistance Animals for People with Disabilities in Housing and HUD-Funded Programs**

1. **Purpose:** This notice explains certain obligations of housing providers under the Fair Housing Act (FHAct), Section 504 of the Rehabilitation Act of 1973 (Section 504), and the Americans with Disabilities Act (ADA) with respect to animals that provide assistance to individuals with disabilities. The Department of Justice's (DOJ) amendments to its regulations<sup>1</sup> for Titles II and III of the ADA limit the definition of "service animal" under the ADA to include only dogs, and further define "service animal" to exclude emotional support animals. This definition, however, does not limit housing providers' obligations to make reasonable accommodations for assistance animals under the FHAct or Section 504. Persons with disabilities may request a reasonable accommodation for any assistance animal, including an emotional support animal, under both the FHAct and Section 504. In situations where the ADA and the FHAct/Section 504 apply simultaneously (e.g., a public housing agency, sales or leasing offices, or housing associated with a university or other place of education), housing providers must meet their obligations under both the reasonable accommodation standard of the FHAct/Section 504 and the service animal provisions of the ADA.
2. **Applicability:** This notice applies to all housing providers covered by the FHAct, Section 504, and/or the ADA<sup>2</sup>

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<sup>1</sup> Nondiscrimination on the Basis of Disability in State and Local Government Services, Final Rule, 75 Fed. Reg. 56164 (Sept. 15, 2010) (codified at 28 C.F.R. part 35); Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities, Final Rule, 75 Fed. Reg. 56236 (Sept. 15, 2010) (codified at 28 C.F.R. part 36).

<sup>2</sup> Title II of the ADA applies to public entities, including public entities that provide housing. e.g., public housing agencies and state and local government provided housing, including housing at state universities and other places of education. In the housing context, Title III of the ADA applies to public accommodations such as rental offices, shelters, some types of multifamily housing, assisted living facilities and housing at places of public education.

Section 504 covers housing providers that receive federal financial assistance from the U.S. Department of Housing and Urban Development (HUD). The fair Housing Act covers virtually all types of housing, including privately-owned housing and federally assisted housing, with a few limited exceptions.

3. **Organization:** Section I of this notice explains housing providers' obligations under the FHAct and Section 504 to provide reasonable accommodations to persons with disabilities<sup>3</sup> with assistance animals. Section II explains DOJ's revised definition of "service animal" under the ADA. Section III explains housing providers' obligations when multiple nondiscrimination laws apply.

### **Section 1: Reasonable Accommodations for Assistance Animals under the FHAct and Section 504**

The FHAct and the U.S. Department of Housing and Urban Development's (HUD) implementing regulations prohibit discrimination because of disability and apply regardless of the presence of Federal financial assistance. Section 504 and HUD's Section 504 regulations apply a similar prohibition on disability discrimination to all recipients of financial assistance from HUD. The reasonable accommodation provisions of both laws must be considered in situations where persons with disabilities use (or seek to use) assistance animals<sup>4</sup> in housing where the provider forbids residents from having pets or otherwise imposes restrictions or conditions relating to pets and other animals.

An assistance animal is not a pet. It is an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or provides emotional support that alleviates one or more identified symptoms or effects of a person's disability. Assistance animals perform many disability-related functions, including but not limited to, guiding individuals who are blind or have low vision, alerting individuals who are deaf or hard of hearing to sounds, providing protection or rescue assistance, pulling a wheelchair, fetching items, alerting persons to impending seizures, or providing emotional support to persons with disabilities who have a disability-related need for such support. For purposes of reasonable accommodation requests, neither the FHAct nor Section 504 requires an assistance animal to be individually trained or certified.<sup>5</sup> While dogs are the most common type of assistance animal, other animals can also be assistance animals.

Housing providers are to evaluate a request for a reasonable accommodation to possess an assistance animal in a dwelling using the general principles applicable to all reasonable accommodation requests. After receiving such a request, the housing provider must consider the following:

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<sup>3</sup> Reasonable accommodations under the FHAct and Section 504 apply to tenants and applicants with disabilities, family members with disabilities, and other persons with disabilities associated with tenants and applicants. 24 CFR §§ 100.202; 100.204; 24 C.F.R. §§ 8.11, 8.20, 8.21, 8.24, 8.33, and case law interpreting Section 504.

Assistance animals are sometimes referred to as "service animals," "assistive animals," "support animals," or "therapy animals." To avoid confusion with the revised ADA "service animal" definition discussed in Section II of this notice, or any other standard, we use the term "assistance animal" to ensure that housing providers have a clear understanding of their obligations under the FHAct and Section 504.

<sup>5</sup> For a more detailed discussion on assistance animals and the issue of training, see the preamble to HUD's final

rule, Pet Ownership for the Elderly and Persons With Disabilities, 73 Fed. Reg. 63834,63835 (October 27, 2008).

- (1) Does the person seeking to use and live with the animal have a disability—*i.e.*, a physical or mental impairment that substantially limits one or more major life activities?
- (2) Does the person making the request have a disability-related need for an assistance animal? In other words, does the animal work, provide assistance, perform tasks or services for the benefit of a person with a disability, or provide emotional support that alleviates one or more of the identified symptoms or effects of a person's existing disability?

If the answer to question (1) or (2) is "no," then the FHAct and Section 504 do not require a modification to a provider's "no pets" policy, and the reasonable accommodation request may be denied.

Where the answers to questions (1) **and** (2) are "yes," the FHAct and Section 504 require the housing provider to modify or provide an exception to a "no pets" rule or policy to permit a person with a disability to live with and use an assistance animal(s) in all areas of the premises

where persons are normally allowed to go, unless doing so would impose an undue financial and administrative burden or would fundamentally alter the nature of the housing provider's services. The request may also be denied if: (1) the specific assistance animal in question poses a direct threat to the health or safety of others that cannot be reduced or eliminated by another reasonable accommodation, or (2) the specific assistance animal in question would cause substantial physical damage to the property of others that cannot be reduced or eliminated by another reasonable accommodation. Breed, size, and weight limitations may not be applied to an assistance animal. A determination that an assistance animal poses a direct threat of harm to others or would cause substantial physical damage to the property of others must be based on an individualized assessment that relies on objective evidence about the specific animal's actual conduct—not on mere speculation or fear about the types of harm or damage an animal may cause and not on evidence about harm or damage that other animals have caused. Conditions and restrictions that housing providers apply to pets may not be applied to assistance animals. For example, while housing providers may require applicants or residents to pay a pet deposit, they may not require applicants and residents to pay a deposit for an assistance animal.<sup>6</sup>

A housing provider may not deny a reasonable accommodation request because he or she is uncertain whether or not the person seeking the accommodation has a disability or a disability-related need for an assistance animal. Housing providers may ask individuals who have disabilities that are not readily apparent or known to the provider to submit reliable documentation of a disability and their disability-related need for an assistance animal. **If** the disability is readily apparent or known but the disability-related need for the assistance animal is not, the housing provider may ask the individual to provide documentation of the disability-related need for an assistance animal. For example, the housing provider may ask persons who are seeking a reasonable accommodation for an assistance animal that provides emotional

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<sup>6</sup> A housing provider may require a tenant to cover the costs of repairs for damage the animal causes to the tenant's dwelling unit or the common areas, reasonable wear and tear excepted, if it is the provider's practice to assess tenants for any damage they cause to the premises. For more information on reasonable accommodations, see the Joint Statement of the Department of Housing and Urban Development and the

Department of Justice, *Reasonable Accommodations Under the Fair Housing Act*,  
<http://www.hud.gov/offices/lhco/library/hud DOJ statement.pdf>.

support to provide documentation from a physician, psychiatrist, social worker, or other mental health professional that the animal provides emotional support that alleviates one or more of the identified symptoms or effects of an existing disability. Such documentation is sufficient if it establishes that an individual has a disability and that the animal in question will provide some type of disability-related assistance or emotional support.

However, a housing provider may not ask a tenant or applicant to provide documentation showing the disability or disability-related need for an assistance animal if the disability or disability-related need is readily apparent or already known to the provider. For example, persons who are blind or have low vision may not be asked to provide documentation of their disability or their disability-related need for a guide dog. A housing provider also may not ask an applicant or tenant to provide access to medical records or medical providers or provide detailed or extensive information or documentation of a person's physical or mental impairments. Like all reasonable accommodation requests, the determination of whether a person has a disability-related need for an assistance animal involves an individualized assessment. A request for a reasonable accommodation may not be unreasonably denied, or conditioned on payment of a fee or deposit or other terms and conditions applied to applicants or residents with pets, and a response may not be unreasonably delayed. Persons with disabilities who believe a request for a reasonable accommodation has been improperly denied may file a complaint with HUD.<sup>7</sup>

## **Section II: The ADA Definition of "Service Animal"**

In addition to their reasonable accommodation obligations under the FHAct and Section 504, housing providers may also have separate obligations under the ADA. DOJ's revised ADA regulations define "service animal" narrowly as any dog that is individually trained to do work or perform tasks for the benefit of an individual with a disability, including a physical, sensory, psychiatric, intellectual, or other mental disability. The revised regulations specify that "the provision of emotional support, well-being, comfort, or companionship do not constitute work or tasks for the purposes of this definition."<sup>8</sup> Thus, trained dogs are the only species of animal that may qualify as service animals under the ADA (there is a separate provision regarding trained miniature horses) and emotional support animals are expressly precluded from qualifying as service animals under the ADA.

The ADA definition of "service animal" applies to state and local government programs, services activities, and facilities and to public accommodations, such as leasing offices, social service center establishments, universities, and other places of education. Because the ADA requirements relating to service animals are different from the requirements relating to assistance animals under the FHAct and Section 504, an individual's use of a service animal in an ADA-covered facility must not be handled as a request for a reasonable accommodation under the FHAct or Section 504. Rather, in ADA-covered facilities, an animal need only meet the definition of "service animal" to be allowed into a covered facility.

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<sup>7</sup> Ibid.

<sup>8</sup> 28 C.F.R. § 35.104; 28 C.F.R. § 36.104.<sup>9</sup> 28 C.F.R. § 35.136(i); 28 C.F.R. § 36.302(c)(9).

To determine if an animal is a service animal, a covered entity shall not ask about the nature or extent of a person's disability, but may make two inquiries to determine whether an animal qualifies as a service animal. A covered entity may ask: (1) Is this a service animal that is required because of a disability? and (2) What work or tasks has the animal been trained to perform? A covered entity shall not require documentation, such as proof that the animal has been certified, trained, or licensed as a service animal. These are the only two inquiries that an ADA-covered facility may make even when an individual's disability and the work or tasks performed by the service animal are not readily apparent (*e.g.*, individual with a seizure disability using a seizure alert service animal, individual with a psychiatric disability using psychiatric service animal, individual with an autism-related disability using an autism service animal).

A covered entity may not make the two permissible inquiries set out above when it is readily apparent that the animal is trained to do work or perform tasks for an individual with a disability (*e.g.*, the dog is observed guiding an individual who is blind or has low vision, pulling a person's wheelchair, or providing assistance with stability or balance to an individual with an observable mobility disability). The animal may not be denied access to the ADA-covered facility unless: (1) the animal is out of control and its handler does not take effective action to control it; (2) the animal is not housebroken (*i.e.*, trained so that, absent illness or accident, the animal controls its waste elimination); or (3) the animal poses a direct threat to the health or safety of others that cannot be eliminated or reduced to an acceptable level by a reasonable modification to other policies, practices and procedures.<sup>10</sup> A determination that a service animal poses a direct threat must be based on an individualized assessment of the specific service animal's actual conduct- not on fears, stereotypes, or generalizations. The service animal must be permitted to accompany the individual with a disability to all areas of the facility where members of the public are normally allowed to go.<sup>11</sup>

### Section III. Applying Multiple Laws

Certain entities will be subject to both the service animal requirements of the ADA and the reasonable accommodation provisions of the FHAct and/or Section 504. These entities include, but are not limited to, public housing agencies and some places of public accommodation, such as rental offices, shelters, residential homes, some types of multifamily housing, assisted living facilities, and housing at places of education. Covered entities must ensure compliance with all relevant civil rights laws. As noted above, compliance with the FHAct and Section 504 does not ensure compliance with the ADA. Similarly, compliance with the ADA's regulations does not ensure compliance with the FHAct or Section 504. The preambles to DOJ's 2010 Title II and Title III ADA regulations state that public entities or public accommodations that operate housing facilities "may not use the ADA definition [of "service animal"] as a justification for reducing their FHAct obligations."<sup>12</sup>

<sup>10</sup> 28 C.F.R. § 35.136; 28 C.F.R. § 36.302(c).

<sup>11</sup> For more information on ADA requirements relating to service animals, visit DOJ's website at [www.ada.gov](http://www.ada.gov).

<sup>12</sup> 75 Fed. Reg. at 56166-56240 (Sept. 15, 2010).

The revised ADA regulations also do not change the reasonable accommodation analysis under the FHAct or Section 504. The preambles to the 2010 ADA regulations specifically note that under the FHAct, "an individual with a disability may have the right to have an animal other than a dog in his or her home if the animal qualifies as a 'reasonable accommodation' that is necessary to afford the individual equal opportunity to use and enjoy a dwelling, assuming that the use of the animal does not pose a direct threat."<sup>13</sup> In addition, the preambles state that emotional support animals that do not qualify as service animals under the ADA may "nevertheless qualify as permitted reasonable accommodations for persons with disabilities under the FHAct."<sup>14</sup> While the preambles expressly mention only the FHAct, the same analysis applies to Section 504.

In cases where all three statutes apply, to avoid possible ADA violations the housing provider should apply the ADA service animal test first. This is because the covered entity may ask only whether the animal is a service animal that is required because of a disability, and if so, what work or tasks the animal has been trained to perform. If the animal meets the test for "service animal," the animal must be permitted to accompany the individual with a disability to all areas of the facility where persons are normally allowed to go, unless (1) the animal is out of control and its handler does not take effective action to control it; (2) the animal is not housebroken (i.e., trained so that, absent illness or accident, the animal controls its waste elimination); or (3) the animal poses a direct threat to the health or safety of others that cannot be eliminated or reduced to an acceptable level by a reasonable modification to other policies, practices and procedures.

If the animal does not meet the ADA service animal test, then the housing provider must evaluate the request in accordance with the guidance provided in Section I of this notice. It is the housing provider's responsibility to know the applicable laws and comply with each of them.

#### **Section IV. Conclusion**

The definition of "service animal" contained in ADA regulations does not limit housing providers' obligations to grant reasonable accommodation requests for assistance animals in housing under either the FHAct or Section 504. Under these laws, rules, policies, or practices must be modified to permit the use of an assistance animal as a reasonable accommodation in housing when its use may be necessary to afford a person with a disability an equal opportunity to use and enjoy a dwelling and/or the common areas of a dwelling, or may be necessary to allow a qualified individual with a disability to participate in, or benefit from, any housing program or activity receiving financial assistance from HUD

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<sup>13</sup> 75 Fed. Reg. at 56194, 56268.

<sup>1</sup> 75 Fed. Reg. at 56166, 56240.

<sup>15</sup> 28 C.F.R. § 35.136; 28 C.F.R. § 36.302(c).

Questions regarding this notice may be directed to the HUD Office of Fair Housing and Equal Opportunity, Office of the Deputy Assistant Secretary for Enforcement and Programs, telephone 202-619-8046.

  
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John Tranter  
Fair H



## Chapter 7

### VERIFICATION

[24 CFR 982.516, 24 CFR 982.551, 24 CFR 5.230, Notice PIH 2010-19]

#### INTRODUCTION

The PHA must verify all information that is used to establish the family's eligibility and level of assistance and is required to obtain written authorization from the family in order to collect the information. Applicants and program participants must cooperate with the verification process as a condition of receiving assistance. The PHA must not pass on the cost of verification to the family.

The PHA will follow the verification guidance provided by HUD in Notice PIH 2010-19 and any subsequent guidance issued by HUD. This chapter summarizes those requirements and provides supplementary PHA policies.

Part I describes the general verification process. Part II provides more detailed requirements related to family information. Part III provides information on income and assets, and Part IV covers mandatory deductions.

Verification policies, rules and procedures will be modified as needed to accommodate persons with disabilities. All information obtained through the verification process will be handled in accordance with the records management policies of the PHA.

#### PART I: GENERAL VERIFICATION REQUIREMENTS

##### **7-I.A. FAMILY CONSENT TO RELEASE OF INFORMATION [24 CFR 982.516 AND 982.551, 24 CFR 5.230]**

The family must supply any information that the PHA or HUD determines is necessary to the administration of the program and must consent to PHA verification of that information [24 CFR 982.551].

##### **Consent Forms**

It is required that all adult applicants and participants sign form HUD-9886, Authorization for Release of Information. The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members. Only HUD is authorized to collect information directly from the Internal Revenue Service (IRS) and the Social Security Administration (SSA). Adult family members must sign other consent forms as needed to collect information relevant to the family's eligibility and level of assistance.

##### **Penalties for Failing to Consent [24 CFR 5.232]**

If any family member who is required to sign a consent form fails to do so, the PHA will deny admission to applicants and terminate assistance of participants. The family may request an informal review (applicants) or informal hearing (participants) in accordance with PHA procedures.

## **7-I.B. OVERVIEW OF VERIFICATION REQUIREMENTS**

### **HUD's Verification Hierarchy [Notice PIH 2010-19]**

HUD mandates the use of the EIV system and offers administrative guidance on the use of other methods to verify family information and specifies the circumstances in which each method will be used. In general HUD requires the PHA to use the most reliable form of verification that is available and to document the reasons when the PHA uses a lesser form of verification.

In order of priority, the forms of verification that the PHA will use are:

- Up-front Income Verification (UIV) using HUD's Enterprise Income Verification (EIV) system
- Up-front Income Verification (UIV) using a non-HUD system
- Written Third-Party Verification (may be provided by applicant or participant)
- Written Third-party Verification Form
- Oral Third-party Verification
- Self-Certification

Each of the verification methods is discussed in subsequent sections below.

### **Requirements for Acceptable Documents**

#### PHA Policy

Any documents used for verification must be the original (not photocopies) and generally must be dated within 60 days of the date they are provided to the PHA. The documents must not be damaged, altered or in any way illegible.

Print-outs from Web pages are considered original documents.

The PHA staff member who views the original document must make a photocopy, annotate the copy with the name of the person who provided the document and the date the original was viewed, and sign the copy.

Any family self-certifications must be made in a format acceptable to the PHA and must be signed in the presence of a PHA representative or notary public.

## **File Documentation**

The PHA must document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that the PHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached.

### PHA Policy

The PHA will document, in the family file, the following:

- Reported family annual income
- Value of assets
- Expenses related to deductions from annual income
- Other factors influencing adjusted income

When the PHA is unable to obtain third-party verification, the PHA will document in the family file the reason that third-party verification was not available [24 CFR 982.516(a)(2); Notice PIH 2010-19].

## **7-I.C. UP-FRONT INCOME VERIFICATION (UIV)**

Up-front income verification (UIV) refers to the PHA's use of the verification tools available from independent sources that maintain computerized information about earnings and benefits. UIV will be used to the extent that these systems are available to the PHA.

There may be legitimate differences between the information provided by the family and UIV-generated information. If the family disputes the accuracy of UIV data, no adverse action can be taken until the PHA has independently verified the UIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of the PHA.

See Chapter 6 for the PHA's policy on the use of UIV/EIV to project annual income.

## **Upfront Income Verification Using HUD's Enterprise Income Verification (EIV) System (Mandatory)**

PHAs must use HUD's EIV system in its entirety as a third-party source to verify tenant employment and income information during mandatory reexaminations or recertifications of family composition and income in accordance with 24 CFR 5.236 and administrative guidance issued by HUD. The EIV system contains data showing earned income, unemployment benefits, social security benefits, and SSI benefits for participant families. The following policies apply to the use of HUD's EIV system.

### ***EIV Income Reports***

The data shown on income reports is updated quarterly. Data may be between 3 and 6 months old at the time reports are generated.

#### PHA Policy

The PHA will obtain income reports for annual reexaminations on a monthly basis. Reports will be generated as part of the regular reexamination process.

Income reports will be compared to family-provided information as part of the annual reexamination process. Income reports may be used in the calculation of annual income, as described in Chapter 6-I.C. Income reports may also be used to meet the regulatory requirement for third party verification, as described above. Policies for resolving discrepancies between income reports and family-provided information will be resolved as described in Chapter 6-I.C. and in this chapter.

Income reports will be used in interim reexaminations to identify any discrepancies between reported income and income shown in the EIV system, and as necessary to verify and calculate earned income, unemployment benefits, Social Security and/or SSI benefits. EIV will also be used to verify that families claiming zero income are not receiving income from any of these sources.

Income reports will be retained in participant files with the applicable annual or interim reexamination documents.

When the PHA determines through income reports and third-party verification that a family has concealed or under-reported income, corrective action will be taken pursuant to the policies in Chapter 14, Program Integrity.

### ***EIV Identity Verification***

The EIV system verifies tenant identities against SSA records. These records are compared to PIC data for a match on social security number, name, and date of birth.

PHAs are required to use EIV's *Identity Verification Report* on a monthly basis to improve the availability of income information in EIV [Notice PIH 2012-10].

When identity verification for a participant fails, a message will be displayed within the EIV system and no income information will be displayed.

#### PHA Policy

The PHA will identify participants whose identity verification has failed by reviewing EIV's *Identity Verification Report* on a monthly basis.

The PHA will attempt to resolve PIC/SSA discrepancies by obtaining appropriate documentation from the participant. When the PHA determines that discrepancies exist due to PHA errors such as spelling errors or incorrect birth dates, the errors will be corrected promptly.

### **Upfront Income Verification Using Non-HUD Systems (Optional)**

In addition to mandatory use of the EIV system, HUD encourages PHAs to utilize other upfront verification sources.

#### PHA Policy

The PHA will inform all applicants and participants of its use of the following UIV resources during the admission and reexamination process:

HUD's EIV system

**State of Oregon Department of Human Resources**

**State of Oregon Department of Justice Oregon Child Support Program**

**State of Oregon Employment Department Unemployment Insurance**

## **7-I.D. THIRD-PARTY WRITTEN AND ORAL VERIFICATION**

HUD's current verification hierarchy defines two types of written third-party verification. The more preferable form, "written third-party verification," consists of an original document generated by a third-party source, which may be received directly from a third-party source or provided to the PHA by the family. If written third-party verification is not available, the PHA must attempt to obtain a "written third-party verification form." This is a standardized form used to collect information from a third party.

### **Written Third-Party Verification [Notice PIH 2010-19]**

Written third-party verification documents must be original and authentic and may be supplied by the family or received from a third-party source.

Examples of acceptable tenant-provided documents include, but are not limited to: pay stubs, payroll summary reports, employer notice or letters of hire and termination, SSA benefit verification letters, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notices.

The PHA is required to obtain, at minimum, two current and consecutive pay stubs for determining annual income from wages.

The PHA may reject documentation provided by the family if the document is not an original, if the document appears to be forged, or if the document is altered, mutilated, or illegible.

#### PHA Policy

Third-party documents provided by the family must be dated within 60 days of the PHA request date.

If the PHA determines that third-party documents provided by the family are not acceptable, the PHA will explain the reason to the family and request additional documentation.

As verification of earned income, the PHA will require the family to provide consecutive pay stubs covering the 60-day period prior to the PHA's request. A minimum of three current and consecutive paystubs are required.

## **Written Third-Party Verification Form**

When upfront verification is not available and the family is unable to provide written third-party documents, the PHA must request a written third-party verification form. HUD's position is that this traditional third-party verification method presents administrative burdens and risks which may be reduced through the use of family-provided third-party documents.

PHAs may mail, fax, or e-mail third-party written verification form requests to third-party sources.

### PHA Policy

The PHA will send third-party verification forms directly to the third party.

Third-party verification forms will be sent when third-party verification documents are unavailable or are rejected by the PHA.

## **Oral Third-Party Verification [Notice PIH 2010-19]**

For third-party oral verification, PHAs contact sources, identified by UIV techniques or by the family, by telephone or in person.

Oral third-party verification is mandatory if neither form of written third-party verification is available.

Third-party oral verification may be used when requests for written third-party verification forms have not been returned within a reasonable time—e.g., 10 business days.

PHAs should document in the file the date and time of the telephone call or visit, the name of the person contacted, the telephone number, as well as the information confirmed.

### PHA Policy

In collecting third-party oral verification, PHA staff will record in the family's file the name and title of the person contacted, the date and time of the conversation (or attempt), the telephone number used, and the facts provided.

When any source responds verbally to the initial written request for verification the PHA will accept the verbal response as oral verification but will also request that the source complete and return any verification forms that were provided.

## **When Third-Party Verification is Not Required [Notice PIH 2010-19]**

Third-party verification may not be available in all situations. HUD has acknowledged that it may not be cost-effective or reasonable to obtain third-party verification of income, assets, or expenses when these items would have a minimal impact on the family's total tenant payment.

### PHA Policy

If the family cannot provide original documents, the PHA will pay the service charge required to obtain third-party verification, unless it is not cost effective in which case a self-certification will be acceptable as the only means of verification. The cost of verification will not be passed on to the family.

The cost of postage and envelopes to obtain third-party verification of income, assets, and expenses is not an unreasonable cost [VG, p. 18].

### ***Primary Documents***

Third-party verification is not required when legal documents are the primary source, such as a birth certificate or other legal documentation of birth.

### ***Imputed Assets***

HUD permits PHAs to accept a self-certification from a family as verification of assets disposed of for less than fair market value [HCV GB, p. 5-28].

### PHA Policy

The PHA will accept a self-certification from a family as verification of assets disposed of for less than fair market value.

## ***Value of Assets and Asset Income [24 CFR 982.516(a)]***

For families with net assets totaling \$5,000 or less, the PHA may accept the family's declaration of asset value and anticipated asset income. However, the PHA is required to obtain third-party verification of all assets regardless of the amount during the intake process and at least every three years thereafter.

### PHA Policy

For families with net assets totaling \$5,000 or less, the PHA will accept the family's self-certification of the value of family assets and anticipated asset income when applicable. The family's declaration must show each asset and the amount of income expected from that asset. All family members 18 years of age and older must sign the family's declaration.

The PHA will use third-party documentation for assets as part of the intake process, whenever a family member is added to verify the individual's assets, and every three years thereafter.

## **7-I.E. SELF-CERTIFICATION**

When HUD requires third-party verification, self-certification or “tenant declaration,” is used as a last resort when the PHA is unable to obtain third-party verification.

Self-certification, however, is an acceptable form of verification when:

- A source of income is fully excluded
- Net family assets total \$5,000 or less and the PHA has adopted a policy to accept self certification at annual recertification, when applicable
- The PHA has adopted a policy to implement streamlined annual recertifications for fixed sources of income (See Chapter 11)

When the PHA was required to obtain third-party verification but instead relies on a tenant declaration for verification of income, assets, or expenses, the family’s file must be documented to explain why third-party verification was not available.

### PHA Policy

When information cannot be verified by a third party or by review of documents, family members will be required to submit self-certifications attesting to the accuracy of the information they have provided to the PHA.

The PHA may require a family to certify that a family member does not receive a particular type of income or benefit.

The self-certification must be made in a format acceptable to the PHA and must be signed by the family member whose information or status is being verified. All self-certifications must be signed in the presence of a PHA representative or notary public.

## PART II: VERIFYING FAMILY INFORMATION

### 7-II.A. VERIFICATION OF LEGAL IDENTITY

#### PHA Policy

The PHA will require families to furnish verification of legal identity for each household member.

<b>Verification of Legal Identity for Adults</b>	<b>Verification of Legal Identity for Children</b>
Certificate of birth, naturalization papers	Certificate of birth
Church issued baptismal certificate	Adoption papers
Current, valid driver's license or Department of Motor Vehicles identification card	Custody agreement
U.S. military discharge (DD 214)	Health and Human Services ID
Current U.S. passport	Certified school records
Current employer identification card	

If a document submitted by a family is illegible for any reason or otherwise questionable, more than one of these documents may be required.

If none of these documents can be provided and at the PHA's discretion, a third party who knows the person may attest to the person's identity. The certification must be provided in a format acceptable to the PHA and be signed in the presence of a PHA representative or PHA notary public.

Legal identity will be verified for all applicants at the time of eligibility determination and in cases where the PHA has reason to doubt the identity of a person representing him or herself to be a participant.

## **7-II.B. SOCIAL SECURITY NUMBERS [24 CFR 5.216, Notice PIH 2012-10]**

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

Note that an individual who previously declared to have eligible immigration status may not change his or her declaration for the purpose of avoiding compliance with the SSN disclosure and documentation requirements or penalties associated with noncompliance with these requirements. Nor may the head of household opt to remove a household member from the family composition for this purpose.

The PHA must accept the following documentation as acceptable evidence of the social security number:

- An original SSN card issued by the Social Security Administration (SSA)

- An original SSA-issued document, which contains the name and SSN of the individual

- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

The PHA may only reject documentation of an SSN provided by an applicant or participant if the document is not an original document or if the original document has been altered, mutilated, is illegible, or appears to be forged.

### PHA Policy

The PHA will explain to the applicant or participant the reasons the document is not acceptable and request that the individual obtain and submit acceptable documentation of the SSN to the PHA within 90 days.

In the case of Moderate Rehabilitation Single Room Occupancy (SRO) individuals, the required documentation must be provided within 90 calendar days from the date of admission into the program. The PHA must grant one additional 90-day extension if it determines that the applicant's failure to comply was due to circumstances that were beyond the applicant's control and could not have been reasonably foreseen.

### PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency. If the individual fails to comply with SSN disclosure and documentation requirements upon expiration of the provided time period, the PHA will terminate the individual's assistance.

If an applicant family includes a child under 6 years of age who joined the household within the 6 months prior to the date of voucher issuance, an otherwise eligible family may be admitted to the program and the family must provide documentation of the child's SSN within 90 days of the effective date of the initial HAP contract. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control.

PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the applicant's control, such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

When a participant requests to add a new household member who is at least 6 years of age, or who is under the age of 6 and has an SSN, the participant must provide the complete and accurate SSN assigned to each new member at the time of reexamination or recertification, in addition to the documentation required to verify it. The PHA may not add the new household member until such documentation is provided.

When a participant requests to add a new household member who is under the age of 6 and has not been assigned an SSN, the participant must provide the SSN assigned to each new child and the required documentation within 90 calendar days of the child being added to the household. A 90-day extension will be granted if the PHA determines that the participant's failure to comply was due to unforeseen circumstances and was outside of the participant's control. During the period the PHA is awaiting documentation of the SSN, the child will be counted as part of the assisted household.

PHA Policy

The PHA will grant one additional 90-day extension if needed for reasons beyond the participant's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family, or other emergency.

Social security numbers must be verified only once during continuously-assisted occupancy.

PHA Policy

The PHA will verify each disclosed SSN by:

Obtaining documentation from applicants and participants that is acceptable as evidence of social security numbers

Making a copy of the original documentation submitted, returning it to the individual, and retaining a copy in the file folder

Once the individual's verification status is classified as "verified," the PHA may, at its discretion, remove and destroy copies of documentation accepted as evidence of social security numbers. The retention of the EIV Summary Report or Income Report is adequate documentation of an individual's SSN.

PHA Policy

Once an individual's status is classified as "verified" in HUD's EIV system, the PHA will not remove and destroy copies of documentation accepted as evidence of social security numbers.

**7-II.C. DOCUMENTATION OF AGE**

A birth certificate or other official record of birth is the preferred form of age verification for all family members. For elderly family members an original document that provides evidence of the receipt of social security retirement benefits is acceptable.

PHA Policy

If an official record of birth or evidence of social security retirement benefits cannot be provided, the PHA will require the family to submit other documents that support the reported age of the family member (e.g., school records, driver's license if birth year is recorded) and to provide a self-certification.

Age must be verified only once during continuously-assisted occupancy.

**7-II.D. FAMILY RELATIONSHIPS**

Applicants and program participants are required to identify the relationship of each household member to the head of household. Definitions of the primary household relationships are provided in the Eligibility chapter.

PHA Policy

Family relationships are verified only to the extent necessary to determine a family's eligibility and level of assistance. Certification by the head of household normally is sufficient verification of family relationships.

**Marriage**

PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a marital relationship, the PHA will require the family to document the marriage.

A marriage certificate generally is required to verify that a couple is married.

## **Separation or Divorce**

### PHA Policy

Certification by the head of household is normally sufficient verification. If the PHA has reasonable doubts about a separation or divorce, the PHA will require the family to provide documentation of the divorce or separation.

A certified copy of a divorce decree, signed by a court officer, is required to document that a couple is divorced.

A copy of a court-ordered maintenance or other court record is required to document a separation.

If no court document is available, documentation from a community-based agency will be accepted.

## **Absence of Adult Member**

### PHA Policy

If an adult member who was formerly a member of the household is reported to be permanently absent, the family must provide evidence to support that the person is no longer a member of the family (e.g., documentation of another address at which the person resides such as a lease or utility bill).

## **Foster Children and Foster Adults**

### PHA Policy

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

## **7-II.E. VERIFICATION OF STUDENT STATUS**

### **General Requirements**

#### PHA Policy

The PHA requires families to provide information about the student status of all students who are 18 years of age or older. This information will be verified only if:

The family reports full-time student status for an adult other than the head, spouse, or cohead.

The family reports child care expenses to enable a family member to further his or her education.

The family includes a student enrolled in an *institution of higher education*.

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

This section applies only to students who are seeking assistance on their own, separately from their parents. It does not apply to students residing with parents who are seeking or receiving HCV assistance.

#### PHA Policy

In accordance with the verification hierarchy described in section 7-1.B, the PHA will determine whether the student is exempt from the restrictions in 24 CFR 5.612 by verifying any one of the following exemption criteria:

The student is enrolled at an educational institution that does not meet the definition of *institution of higher education* in the Higher Education Act of 1965 (see section Exhibit 3-2).

The student is at least 24 years old.

The student is a veteran, as defined in section 3-II.E.

The student is married.

The student has at least one dependent child, as defined in section 3-II.E.

The student is a person with disabilities, as defined in section 3-II.E, and was receiving assistance prior to November 30, 2005.

If the PHA cannot verify at least one of these exemption criteria, the PHA will conclude that the student is subject to the restrictions on assistance at 24 CFR 5.612. In addition to verifying the student's income eligibility, the PHA will then proceed to verify either the student's parents' income eligibility (see section 7-III.J) or the student's independence from his/her parents (see below).

## ***Independent Student***

### PHA Policy

The PHA will verify a student's independence from his/her parents to determine that the student's parents' income is not relevant for determining the student's eligibility by doing all of the following:

Either reviewing and verifying previous address information to determine whether the student has established a household separate from his/her parents for at least one year or reviewing and verifying documentation relevant to determining whether the student meets the U.S. Department of Education's definition of *independent student* (see section 3-II.E)

Reviewing prior year income tax returns to verify whether a parent has claimed the student as a dependent

Requesting and obtaining written certification directly from the student's parents identifying the amount of support they will be providing to the student, even if the amount of support is \$0.

## **7-II.F. DOCUMENTATION OF DISABILITY**

The PHA must verify the existence of a disability in order to allow certain income disallowances and deductions from income. The PHA is not permitted to inquire about the nature or extent of a person's disability [24 CFR 100.202(c)]. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA will not place this information in the tenant file. Under no circumstances will the PHA request a participant's medical record(s). For more information on health care privacy laws, see the Department of Health and Human Services' website at <http://www.hhs.gov/ocr/privacy/>.

The above cited regulation does not prohibit the following inquiries, provided these inquiries are made of all applicants, whether or not they are persons with disabilities [VG, p. 24]:

- Inquiry into an applicant's ability to meet the requirements of ownership or tenancy
- Inquiry to determine whether an applicant is qualified for a dwelling available only to persons with disabilities or to persons with a particular type of disability
- Inquiry to determine whether an applicant for a dwelling is qualified for a priority available to persons with disabilities or to persons with a particular type of disability
- Inquiring whether an applicant for a dwelling is a current illegal abuser or addict of a controlled substance
- Inquiring whether an applicant has been convicted of the illegal manufacture or distribution of a controlled substance

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

Verification of the receipt of disability benefits from the Social Security Administration (SSA) is sufficient verification of disability for the purpose of qualifying for waiting list preferences (if applicable) or certain income disallowances and deductions [VG, p. 23].

### PHA Policy

For family members claiming disability who receive disability benefits from the SSA, the PHA will attempt to obtain information about disability benefits through the HUD Enterprise Income Verification (EIV) system. If documentation from HUD's EIV System is not available, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member claiming disability status. If the family is unable to provide the document(s), the PHA will ask the family to request a benefit verification letter by either calling SSA at 1-800-772-1213, or by requesting it from [www.ssa.gov](http://www.ssa.gov). Once the applicant or participant receives the benefit verification letter they will be required to provide it to the PHA.

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

Receipt of veteran's disability benefits, worker's compensation, or other non-SSA benefits based on the individual's claimed disability are not sufficient verification that the individual meets HUD's definition of disability in 24 CFR 5.403.

### PHA Policy

For family members claiming disability who do not receive disability benefits from the SSA, a knowledgeable professional must provide third-party verification that the family member meets the HUD definition of disability. See the Eligibility chapter for the HUD definition of disability. The knowledgeable professional will verify whether the family member does or does not meet the HUD definition.

## **7-II.G. CITIZENSHIP OR ELIGIBLE IMMIGRATION STATUS [24 CFR 5.508]**

### **Overview**

Housing assistance is not available to persons who are not citizens, nationals, or eligible immigrants. Prorated assistance is provided for "mixed families" containing both eligible and ineligible persons. A detailed discussion of eligibility requirements is in the Eligibility chapter. This verifications chapter discusses HUD and PHA verification requirements related to citizenship status.

The family must provide a certification that identifies each family member as a U.S. citizen, a U.S. national, an eligible noncitizen or an ineligible noncitizen and submit the documents discussed below for each family member. Once eligibility to receive assistance has been verified for an individual it need not be collected or verified again during continuously-assisted occupancy. [24 CFR 5.508(g)(5)]

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

HUD requires a declaration for each family member who claims to be a U.S. citizen or national. The declaration must be signed personally by any family member 18 or older and by a guardian for minors.

The PHA may request verification of the declaration by requiring presentation of a birth certificate, United States passport or other appropriate documentation.

#### PHA Policy

Family members who claim U.S. citizenship or national status will not be required to provide additional documentation unless the PHA receives information indicating that an individual's declaration may not be accurate.

## **Eligible Immigrants**

### ***Documents Required***

All family members claiming eligible immigration status must declare their status in the same manner as U.S. citizens and nationals.

The documentation required for eligible noncitizens varies depending upon factors such as the date the person entered the U.S., the conditions under which eligible immigration status has been granted, age, and the date on which the family began receiving HUD-funded assistance. Exhibit 7-1 at the end of this chapter summarizes documents family members must provide.

### ***PHA Verification*** [HCV GB, pp. 5-3 and 5-7]

For family members age 62 or older who claim to be eligible immigrants, proof of age is required in the manner described in 7-II.C. of this plan. No further verification of eligible immigration status is required.

For family members under the age of 62 who claim to be eligible immigrants, the PHA must verify immigration status with the United States Citizenship and Immigration Services (USCIS).

The PHA will follow all USCIS protocols for verification of eligible immigration status.

## **7-II.H. VERIFICATION OF PREFERENCE STATUS**

The PHA must verify any preferences claimed by an applicant that determined placement on the waiting list.

### PHA Policy

The PHA will verify preferences as follows:

#### *Homeless Veteran Family Preference*

This preference will be verified through review of the referral from the HACSA approved entity.

#### *Transitional Homeless Family Preference*

This preference will be verified through review of the referral from the HACSA approved entity.

#### *Displaced Family Preference (fire)*

This preference will be verified through review of the referral from the HACSA approved entity. That the referral was received within 45 days of the displacement will also be verified.

#### *Title XIX Preference – limited to 25 families selected under this preference per PHA Fiscal Year*

This preference will be verified through review of the referral from the HACSA approved entity.

*Domestic Violence Preference - limited to 25 families selected under this preference per PHA Fiscal Year*

This preference will be verified through review of the referral from the HACSA approved entity, and review of the VAWA required documentation in accordance with Chapter 16).

*Shelter Plus Care Preference - limited to 25 families selected under this preference per PHA Fiscal Year*

This preference will be verified through review of PHA's own records. That participants have participated in the program for a minimum of two years, are in compliance with case management requirements, and have not have violated their Family Obligations within 12 months of referral from the case manager will also be verified.

*Disabled Homeless Preference*

This preference will be verified through review of the referral from the HACSA approved entity.

*Over/Under Housed HACSA Project-Based Preference*

This preference will be verified through review of the PHA's own records, including verifying that appropriate-sized housing stock is not available in the relevant program.

## **PART III: VERIFYING INCOME AND ASSETS**

Chapter 6, Part I of this plan describes in detail the types of income that are included and excluded and how assets and income from assets are handled. Any assets and income reported by the family must be verified. This part provides PHA policies that supplement the general verification procedures specified in Part I of this chapter.

### **7-III.A. EARNED INCOME**

#### **Tips**

##### PHA Policy

Unless tip income is included in a family member's W-2 by the employer, persons who work in industries where tips are standard will be required to sign a certified estimate of tips received for the prior year and tips anticipated to be received in the coming year.

#### **Wages**

##### PHA Policy

For wages other than tips, the family must provide originals of the three most current, consecutive pay stubs.

### **7-III.B. BUSINESS AND SELF EMPLOYMENT INCOME**

##### PHA Policy

Business owners and self-employed persons will be required to provide:

An audited financial statement for the previous fiscal year if an audit was conducted. If an audit was not conducted, a statement of income and expenses must be submitted and the business owner or self-employed person must certify to its accuracy.

All schedules completed for filing federal and local taxes in the preceding year.

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

The PHA will provide a format for any person who is unable to provide such a statement to record income and expenses for the coming year. The business owner/self-employed person will be required to submit the information requested and to certify to its accuracy at all future reexaminations.

At any reexamination the PHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, or bank statements.

If a family member has been self-employed less than three (3) months, the PHA will accept the family member's certified estimate of income and schedule an interim reexamination in three (3) months. If the family member has been self-employed for three (3) to twelve (12) months the PHA will require the family to provide documentation of income and expenses for this period and use that information to project income.

### **7-III.C. PERIODIC PAYMENTS AND PAYMENTS IN LIEU OF EARNINGS**

For policies governing streamlined income determinations for fixed sources of income, please see Chapter 11.

#### **Social Security/SSI Benefits**

##### PHA Policy

To verify the SS/SSI benefits of applicants, the PHA will request a current (dated within the last 60 days) SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s), the PHA will help the applicant request a benefit verification letter from SSA's Web site at [www.ssa.gov](http://www.ssa.gov) or ask the family to request one by calling SSA at 1-800-772-1213. Once the applicant has received the benefit verification letter they will be required to provide it to the PHA.

To verify the SS/SSI benefits of participants, the PHA will obtain information about social security/SSI benefits through the HUD EIV System, and confirm with the participant(s) that the current listed benefit amount is correct. If the participant disputes the EIV-reported benefit amount, or if benefit information is not available in HUD systems, the PHA will request a current SSA benefit verification letter from each family member that receives social security benefits. If the family is unable to provide the document(s) the PHA will help the participant request a benefit verification letter from SSA's Web site at [www.ssa.gov](http://www.ssa.gov) or ask the family to request one by calling SSA at 1-800-772-1213. Once the participant has received the benefit verification letter they will be required to provide it to the PHA.

## 7-III.D. ALIMONY OR CHILD SUPPORT

### PHA Policy

The methods the PHA will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments.

If the family declares that it *receives regular payments*, verification will be obtained in the following order of priority:

Copies of the receipts and/or payment stubs for the 60 days prior to PHA request

Third-party verification form from the state or local child support enforcement agency

Third-party verification form from the person paying the support

Family's self-certification of amount received

If the family declares that it *receives irregular or no payments*, in addition to the verification process listed above, the family must provide evidence that it has taken all reasonable efforts to collect amounts due. This may include:

A statement from any agency responsible for enforcing payment that shows the family has requested enforcement and is cooperating with all enforcement efforts

If the family has made independent efforts at collection, a written statement from the attorney or other collection entity that has assisted the family in these efforts

**Note:** Families are not required to undertake independent enforcement action.

### **7-III.E. ASSETS AND INCOME FROM ASSETS**

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

The family must certify whether any assets have been disposed of for less than fair market value in the preceding two years. The PHA needs to verify only those certifications that warrant documentation [HCV GB, p. 5-28].

##### PHA Policy

The PHA will verify the value of assets disposed of only if:

The PHA does not already have a reasonable estimation of its value from previously collected information, or

The amount reported by the family in the certification appears obviously in error.

Example 1: An elderly participant reported a \$10,000 certificate of deposit at the last annual reexamination and the PHA verified this amount. Now the person reports that she has given this \$10,000 to her son. The PHA has a reasonable estimate of the value of the asset; therefore, reverification of the value of the asset is not necessary.

Example 2: A family member has disposed of its 1/4 share of real property located in a desirable area and has valued her share at approximately \$5,000. Based upon market conditions, this declaration does not seem realistic. Therefore, the PHA will verify the value of this asset.

### **7-III.F. NET INCOME FROM RENTAL PROPERTY**

##### PHA Policy

The family must provide:

A current executed lease for the property that shows the rental amount or certification from the current tenant

A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, the PHA will require the family members involved in the rental of property to provide a self-certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

### **7-III.G. RETIREMENT ACCOUNTS**

#### PHA Policy

The PHA will accept written third-party documents supplied by the family as evidence of the status of retirement accounts.

The type of original document that will be accepted depends upon the family member's retirement status.

*Before* retirement, the PHA will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.

*Upon* retirement, the PHA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.

*After* retirement, the PHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

### **7-III.H. INCOME FROM EXCLUDED SOURCES**

A detailed discussion of excluded income is provided in Chapter 6, Part I.

HUD guidance on verification of excluded income draws a distinction between income which is fully excluded and income which is only partially excluded.

For fully excluded income, the PHA is **not** required to follow the verification hierarchy, document why third-party verification is not available, or report the income on the 50058. Fully excluded income is defined as income that is entirely excluded from the annual income determination (for example, food stamps, earned income of a minor, or foster care funds) [Notice PIH 2013-04].

PHAs may accept a family's signed application or reexamination form as self-certification of fully excluded income. They do not have to require additional documentation. However, if there is any doubt that a source of income qualifies for full exclusion, PHAs have the option of requiring additional verification.

For partially excluded income, the PHA **is** required to follow the verification hierarchy and all applicable regulations, and to report the income on the 50058. Partially excluded income is defined as income where only a certain portion of what is reported by the family qualifies to be excluded and the remainder is included in annual income (for example, the income of an adult full-time student, or income excluded under the earned income disallowance).

#### PHA Policy

The PHA will accept the family's self-certification as verification of fully excluded income. The PHA may request additional documentation if necessary to document the income source.

The PHA will verify the source and amount of partially excluded income as described in Part 1 of this chapter.

### **7-III.I. ZERO ANNUAL INCOME STATUS**

#### PHA Policy

The PHA will check UIV sources and/or request information from third-party sources to verify that certain forms of income such as unemployment benefits, TANF, SS, SSI, and earnings are not being received by families claiming to have zero annual income.

### **7-III.J. STUDENT FINANCIAL ASSISTANCE**

Any financial assistance, in excess of amounts received for tuition, that a person attending an institution of higher education receives under the Higher Education Act of 1965, from private sources, or from an institution of higher education must be considered income unless the student is over the age of 23 with dependent children or is residing with parents who are seeking or receiving HCV assistance [24 CFR 5.609(b)(9) and FR 4/10/06].

For students over the age of 23 with dependent children or students residing with parents who are seeking or receiving HCV assistance, the full amount of student financial assistance is excluded from annual income [24 CFR 5.609(c)(6)]. The full amount of student financial assistance is also excluded for students attending schools that do not qualify as institutions of higher education (as defined in Exhibit 3-2). Excluded amounts are verified only if, without verification, the PHA would not be able to determine whether or to what extent the income is to be excluded (see section 7-III.H).

#### PHA Policy

For a student subject to having a portion of his/her student financial assistance included in annual income in accordance with 24 CFR 5.609(b)(9), the PHA will request written third-party verification of both the source and the amount. Family-provided documents from the educational institution attended by the student will be requested, as well as documents generated by any other person or entity providing such assistance, as reported by the student.

In addition, the PHA will request written verification of the student's tuition amount.

If the PHA is unable to obtain third-party written verification of the requested information, the PHA will pursue other forms of verification following the verification hierarchy in section 7-I.B.

### **7-III.K. PARENTAL INCOME OF STUDENTS SUBJECT TO ELIGIBILITY RESTRICTIONS**

If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving HCV assistance as of November 30, 2005, the income of the student's parents must be considered when determining income eligibility, unless the student is determined independent from his or her parents in accordance with PHA policy [24 CFR 5.612 and FR 4/10/06, p. 18146].

This provision does not apply to students residing with parents who are seeking or receiving HCV assistance. It is limited to students who are seeking or receiving assistance on their own, separately from their parents.

#### PHA Policy

If the PHA is required to determine the income eligibility of a student's parents, the PHA will request an income declaration and certification of income from the appropriate parent(s) (as determined in section 3-II.E). The PHA will send the request directly to the parents, who will be required to certify to their income under penalty of perjury. The parents will be required to submit the information directly to the PHA. The required information must be submitted (postmarked) within 10 business days of the date of the PHA's request or within any extended timeframe approved by the PHA.

The PHA reserves the right to request and review supporting documentation at any time if it questions the declaration or certification. Supporting documentation may include, but is not limited to, Internal Revenue Service (IRS) tax returns, consecutive and original pay stubs, bank statements, pension benefit statements, benefit award letters, and other official and authentic documents from a federal, state, or local agency.

## **PART IV: VERIFYING MANDATORY DEDUCTIONS**

### **7-IV.A. DEPENDENT AND ELDERLY/DISABLED HOUSEHOLD DEDUCTIONS**

The dependent and elderly/disabled family deductions require only that the PHA verify that the family members identified as dependents or elderly/disabled persons meet the statutory definitions. No further verifications are required.

#### **Dependent Deduction**

See Chapter 6 (6-II.B.) for a full discussion of this deduction. The PHA must verify that:

- Any person under the age of 18 for whom the dependent deduction is claimed is not the head, spouse, or cohead of the family and is not a foster child
- Any person age 18 or older for whom the dependent deduction is claimed is not a foster adult or live-in aide, and is a person with a disability or a full time student

#### **Elderly/Disabled Family Deduction**

See Eligibility chapter for a definition of elderly and disabled families and Chapter 6 (6-II.C.) for a discussion of the deduction. The PHA must verify that the head, spouse, or cohead is 62 years of age or older or a person with disabilities.

## **7-IV.B. MEDICAL EXPENSE DEDUCTION**

Policies related to medical expenses are found in 6-II.D. The amount of the deduction will be verified following the standard verification procedures described in Part I.

### **Amount of Expense**

#### PHA Policy

Medical expenses will be verified through:

Written third-party documents provided by the family, such as pharmacy printouts or receipts.

The PHA will make a best effort to determine what expenses from the past are likely to continue to occur in the future. The PHA will also accept evidence of monthly payments or total payments that will be due for medical expenses during the upcoming 12 months.

Written third-party verification forms, if the family is unable to provide acceptable documentation.

If third-party or document review is not possible, written family certification as to costs anticipated to be incurred during the upcoming 12 months.

In addition, the PHA must verify that:

- The household is eligible for the deduction.
- The costs to be deducted are qualified medical expenses.
- The expenses are not paid for or reimbursed by any other source.
- Costs incurred in past years are counted only once.

## **Eligible Household**

The medical expense deduction is permitted only for households in which the head, spouse, or cohead is at least 62, or a person with disabilities. The PHA must verify that the family meets the definition of an elderly or disabled family provided in the Eligibility chapter and as described in Chapter 7 (7-IV.A.) of this plan.

## **Qualified Expenses**

To be eligible for the medical expenses deduction, the costs must qualify as medical expenses. See Chapter 6 (6-II.D.) for the PHA's policy on what counts as a medical expense.

## **Unreimbursed Expenses**

To be eligible for the medical expenses deduction, the costs must not be reimbursed by another source.

### PHA Policy

The family will be required to certify that the medical expenses are not paid or reimbursed to the family from any source. If expenses are verified through a third party, the third party must certify that the expenses are not paid or reimbursed from any other source.

## **Expenses Incurred in Past Years**

### PHA Policy

When anticipated costs are related to on-going payment of medical bills incurred in past years, the PHA will verify:

The anticipated repayment schedule

The amounts paid in the past, and

Whether the amounts to be repaid have been deducted from the family's annual income in past years

## **7-IV.C. DISABILITY ASSISTANCE EXPENSES**

Policies related to disability assistance expenses are found in 6-II.E. The amount of the deduction will be verified following the standard verification procedures described in Part I.

### **Amount of Expense**

#### ***Attendant Care***

##### PHA Policy

The PHA will accept written third-party documents provided by the family.

If family-provided documents are not available, the PHA will provide a third-party verification form directly to the care provider requesting the needed information.

Expenses for attendant care will be verified through:

Written third-party documents provided by the family, such as receipts or cancelled checks.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification as to costs anticipated to be incurred for the upcoming 12 months.

#### ***Auxiliary Apparatus***

##### PHA Policy

Expenses for auxiliary apparatus will be verified through:

Written third-party documents provided by the family, such as billing statements for purchase of auxiliary apparatus, or other evidence of monthly payments or total payments that will be due for the apparatus during the upcoming 12 months.

Third-party verification form signed by the provider, if family-provided documents are not available.

If third-party verification is not possible, written family certification of estimated apparatus costs for the upcoming 12 months.

In addition, the PHA must verify that:

- The family member for whom the expense is incurred is a person with disabilities (as described in 7-II.F above).
- The expense permits a family member, or members, to work (as described in 6-II.E.).
- The expense is not reimbursed from another source (as described in 6-II.E.).

### **Family Member is a Person with Disabilities**

To be eligible for the disability assistance expense deduction, the costs must be incurred for attendant care or auxiliary apparatus expense associated with a person with disabilities. The PHA will verify that the expense is incurred for a person with disabilities (See 7-II.F.).

### **Family Member(s) Permitted to Work**

The PHA must verify that the expenses claimed actually enable a family member, or members, (including the person with disabilities) to work.

#### PHA Policy

The PHA will request third-party verification from a rehabilitation agency or knowledgeable medical professional indicating that the person with disabilities requires attendant care or an auxiliary apparatus to be employed, or that the attendant care or auxiliary apparatus enables another family member, or members, to work (See 6-II.E.). This documentation may be provided by the family.

If third-party verification has been attempted and is either unavailable or proves unsuccessful, the family must certify that the disability assistance expense frees a family member, or members (possibly including the family member receiving the assistance), to work.

### **Unreimbursed Expenses**

To be eligible for the disability expenses deduction, the costs must not be reimbursed by another source.

#### PHA Policy

The family will be required to certify that attendant care or auxiliary apparatus expenses are not paid by or reimbursed to the family from any source.

#### **7-IV.D. CHILD CARE EXPENSES**

Policies related to child care expenses are found in Chapter 6 (6-II.F). The amount of the deduction will be verified following the standard verification procedures described in Part I of this chapter. In addition, the PHA must verify that:

- The child is eligible for care (12 or younger).
- The costs claimed are not reimbursed.
- The costs enable a family member to work, actively seek work, or further their education.
- The costs are for an allowable type of child care.
- The costs are reasonable.

#### **Eligible Child**

To be eligible for the child care deduction, the costs must be incurred for the care of a child under the age of 13. The PHA will verify that the child being cared for (including foster children) is under the age of 13 (See 7-II.C.).

#### **Unreimbursed Expense**

To be eligible for the child care deduction, the costs must not be reimbursed by another source.

#### PHA Policy

The family (and the care provider) will be required to certify that the child care expenses are not paid or reimbursed to the family from any source.

## **Pursuing an Eligible Activity**

The PHA must verify that the family member(s) that the family has identified as being enabled to seek work, pursue education, or be gainfully employed, are actually pursuing those activities.

### PHA Policy

#### *Information to be Gathered*

The PHA will verify information about how the schedule for the claimed activity relates to the hours of care provided, the time required for transportation, the time required for study (for students), the relationship of the family member(s) to the child, and any special needs of the child that might help determine which family member is enabled to pursue an eligible activity.

#### *Seeking Work*

Whenever possible the PHA will use documentation from a state or local agency that monitors work-related requirements (e.g., welfare or unemployment). In such cases the PHA will request family-provided verification from the agency of the member's job seeking efforts to date, and require the family to submit to the PHA any reports provided to the other agency.

In the event third-party verification is not available, the PHA will provide the family with a form on which the family member must record job search efforts. The PHA will review this information at each subsequent reexamination for which this deduction is claimed.

#### *Furthering Education*

The PHA will request third-party documentation to verify that the person permitted to further his or her education by the child care is enrolled and provide information about the timing of classes for which the person is registered. The documentation may be provided by the family.

#### *Gainful Employment*

The PHA will seek third-party verification of the work schedule of the person who is permitted to work by the child care. In cases in which two or more family members could be permitted to work, the work schedules for all relevant family members may be verified. The documentation may be provided by the family.

## **Allowable Type of Child Care**

The type of care to be provided is determined by the family, but must fall within certain guidelines, as discussed in Chapter 6.

### PHA Policy

The PHA will verify that the type of child care selected by the family is allowable, as described in Chapter 6 (6-II.F).

The PHA will verify that the fees paid to the child care provider cover only child care costs (e.g., no housekeeping services or personal services) and are paid only for the care of an eligible child (e.g., prorate costs if some of the care is provided for ineligible family members).

The PHA will verify that the child care provider is not an assisted family member. Verification will be made through the head of household's declaration of family members who are expected to reside in the unit.

## **Reasonableness of Expenses**

Only reasonable child care costs can be deducted.

### PHA Policy

The actual costs the family incurs will be compared with the PHA's established standards of reasonableness for the type of care in the locality to ensure that the costs are reasonable.

If the family presents a justification for costs that exceed typical costs in the area, the PHA will request additional documentation, as required, to support a determination that the higher cost is appropriate.

**EXHIBIT 7-1: SUMMARY OF DOCUMENTATION REQUIREMENTS  
FOR NONCITIZENS [HCV GB, pp. 5-9 and 5-10]**

- All noncitizens claiming eligible status must sign a declaration of eligible immigrant status on a form acceptable to the PHA.
- Except for persons 62 or older, all noncitizens must sign a verification consent form
- Additional documents are required based upon the person's status.

**Elderly Noncitizens**

- A person 62 years of age or older who claims eligible immigration status also must provide proof of age such as birth certificate, passport, or documents showing receipt of SS old-age benefits.

**All other Noncitizens**

- Noncitizens that claim eligible immigration status also must present the applicable USCIS document. Acceptable USCIS documents are listed below.

- Form I-551 Alien Registration Receipt Card (for permanent resident aliens)
- Form I-94 Arrival-Departure Record annotated with one of the following:
  - “Admitted as a Refugee Pursuant to Section 207”
  - “Section 208” or “Asylum”
  - “Section 243(h)” or “Deportation stayed by Attorney General”
  - “Paroled Pursuant to Section 221 (d)(5) of the USCIS”

- Form I-94 Arrival-Departure Record with no annotation accompanied by:
  - A final court decision granting asylum (but only if no appeal is taken);
  - A letter from a USCIS asylum officer granting asylum (if application is filed on or after 10/1/90) or from a USCIS district director granting asylum (application filed before 10/1/90);
  - A court decision granting withholding of deportation; or
  - A letter from an asylum officer granting withholding or deportation (if application filed on or after 10/1/90).

- Form I-688 Temporary Resident Card annotated “Section 245A” or Section 210”.

Form I-688B Employment Authorization Card annotated “Provision of Law 274a. 12(11)” or “Provision of Law 274a.12”.

- A receipt issued by the USCIS indicating that an application for issuance of a replacement document in one of the above listed categories has been made and the applicant’s entitlement to the document has been verified; or
- Other acceptable evidence. If other documents are determined by the USCIS to constitute acceptable evidence of eligible immigration status, they will be announced by notice published in the *Federal Register*



## Chapter 8

### HOUSING QUALITY STANDARDS AND RENT REASONABLENESS DETERMINATIONS

[24 CFR 982 Subpart I and 24 CFR 982.507]

#### INTRODUCTION

HUD requires that all units occupied by families receiving Housing Choice Voucher (HCV) assistance meet HUD's Housing Quality Standards (HQS) and permits the PHA to establish additional requirements. The use of the term "HQS" in this plan refers to the combination of both HUD and PHA-established requirements.

All units must pass an HQS inspection prior to the approval of a lease and at least once every 24 months during the term of the contract, and at other times as needed, to determine that the unit meets HQS. Effective July 1, 2014, PHAs may establish a policy for performing unit inspections biennially rather than annually. This policy could apply to some or all assisted units. PHAs still have the option to inspect every unit annually. See Section 8-II.G for further details.

HUD also requires PHAs to determine that rents for units under the program are reasonable when compared to comparable unassisted units in the market area.

This chapter explains HUD and PHA requirements related to housing quality and rent reasonableness as follows:

Part I. Physical Standards. This part discusses the physical standards required of units occupied by HCV-assisted families and identifies decisions about the acceptability of the unit that may be made by the family based upon the family's preference. It also identifies life-threatening conditions that must be addressed on an expedited basis.

Part II. The Inspection Process. This part describes the types of inspections the PHA will make and the steps that will be taken when units do not meet HQS.

Part III. Rent Reasonableness Determinations. This part discusses the policies the PHA will use to make rent reasonableness determinations.

Special HQS requirements for homeownership, manufactured homes, and other special housing types are discussed in Chapter 15 to the extent that they apply in this jurisdiction.

## **PART I: PHYSICAL STANDARDS**

### **8-I.A. GENERAL HUD REQUIREMENTS**

#### **HUD Performance and Acceptability Standards**

HUD's performance and acceptability standards for HCV-assisted housing are provided in 24 CFR 982.401. These standards cover the following areas:

- Sanitary facilities
- Food preparation and refuse disposal
- Space and Security
- Thermal Environment
- Illumination and electricity
- Structure and materials
- Interior Air Quality
- Water Supply
- Lead-based paint
- Access
- Site and neighborhood
- Sanitary condition
- Smoke Detectors

A summary of HUD performance criteria is provided in Exhibit 8-1. Additional guidance on these requirements is found in the following HUD resources:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)
- HUD Notice 2003-31, Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

#### **Tenant Preference Items**

HUD requires the PHA to enforce minimum HQS but also recognizes that certain judgments about the acceptability of the unit are left to the family. For example, the PHA must ensure that the unit contains the required sanitary facilities, but the family decides whether the cosmetic appearance of the facilities is acceptable. Exhibit 8-2 summarizes those items that are considered tenant preferences.

## **Modifications to Provide Accessibility**

Under the Fair Housing Act of 1988 an owner must not refuse the request of a family that contains a person with a disability to make necessary and reasonable modifications to the unit. Such modifications are at the family's expense. The owner may require restoration of the unit to its original condition if the modification would interfere with the owner or next occupant's full enjoyment of the premises. The owner may not increase a customarily required security deposit. However, the landlord may negotiate a restoration agreement that requires the family to restore the unit and, if necessary to ensure the likelihood of restoration, may require the tenant to pay a reasonable amount into an interest bearing escrow account over a reasonable period of time. The interest in any such account accrues to the benefit of the tenant. The owner may also require reasonable assurances that the quality of the work will be acceptable and that any required building permits will be obtained. [24 CFR 100.203; Notice 2003-31].

Modifications to units to provide access for a person with a disability must meet all applicable HQS requirements and conform to the design, construction, or alteration of facilities contained in the UFAS and the ADA Accessibility Guidelines (ADAAG) [28 CFR 35.151(c) and Notice 2003-31] See Chapter 2 of this plan for additional information on reasonable accommodations for persons with disabilities.

### PHA Policy

Any owner that intends to negotiate a restoration agreement or require an escrow account must submit the agreement(s) to the PHA for review.

## **8-I.B. ADDITIONAL LOCAL REQUIREMENTS**

The PHA may impose variations to the HQS as long as the additional criteria are not likely to adversely affect the health or safety of participant families or severely restrict housing choices for families. HUD approval is required for variations to the HQS. HUD approval is not required if the variations are clarifications of HUD's acceptability criteria or performance standards [24 CFR 982.401(a)(4)].

### **Thermal Environment [HCV GB p.10-7]**

The PHA must define a “healthy living environment” for the local climate. This may be done by establishing a temperature that the heating system must be capable of maintaining, that is appropriate for the local climate.

#### PHA Policy

There must be a permanently installed heating source able to provide a room temperature of 68°F. Heating devices must conform to applicable laws and fuel-burning appliances must be properly ventilated.

## **Clarifications of HUD Requirements**

### PHA Policy

As permitted by HUD, the PHA has adopted the following specific requirements that elaborate on HUD standards.

#### ***Walls***

In areas where plaster or drywall is sagging, severely cracked, or otherwise damaged, it must be repaired or replaced.

#### ***Windows***

Window sashes must be in good condition, solid and intact, and properly fitted to the window frame. Damaged or deteriorated sashes must be replaced.

Windows must be weather-stripped as needed to ensure a weather-tight seal.

Window screens must be in good condition (applies only if screens are present).

#### ***Doors***

All exterior doors must be weather-tight to avoid any air or water infiltration, be lockable, have no holes, have all trim intact, and have a threshold.

All interior doors must have no holes, have all trim intact, and be openable without the use of a key.

#### ***Floors***

All wood floors must be sanded to a smooth surface and sealed. Any loose or warped boards must be resecured and made level. If they cannot be leveled, they must be replaced.

All floors must be in a finished state. Raw wood or unsealed concrete is not permitted.

#### ***Sinks***

All sinks and commode water lines must have shut off valves, unless faucets are wall mounted.

All sinks must have functioning stoppers.

#### ***Toilets***

All worn or cracked toilet seats and tank lids must be replaced and toilet tank lid must fit properly.

### ***Security***

If window security bars or security screens are present on emergency exit windows, they must be equipped with a quick release system. The owner is responsible for ensuring that the family is instructed on the use of the quick release system.

### ***Mini-Blind and Drapery Cords:***

Continuous loops in blind and drapery cords must be eliminated if your family has a child or children under the age of five (5) and if the cord hangs lower than five (5) feet.

### ***Railing Spacers:***

If there are children in the household under the age of six (6), all stair, porch, balcony and deck railings must have spacers (vertical bars) no more than six (6) inches apart.

### ***Smoke Alarms:***

There must be a working smoke alarm located in a hallway adjacent to each area of the unit which contains a bedroom(s), as well as one smoke alarm on each level of the unit, including the basement.

### ***Appliances:***

A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.

Range hood fans must have covers.

### ***Wells and Other Private Water Sources:***

If the unit is served by well water or other private water source, there must be a bacterial check of water which shows zero bacteria and which was performed within six months prior to inspection or within two weeks of initial inspection.

### **8-I.C. LIFE-THREATENING CONDITIONS [24 CFR 982.404(a)]**

HUD requires the PHA to define life-threatening conditions and to notify the owner or the family (whichever is responsible) of the corrections required. The responsible party must correct life-threatening conditions within 24 hours of PHA notification.

#### PHA Policy

The following are considered life-threatening conditions:

Any condition that jeopardizes the security of the unit

Major plumbing leaks or flooding, waterlogged ceiling or floor in imminent danger of falling

Natural or LP gas or fuel oil leaks

Any electrical problem or condition that could result in shock or fire

Absence of a working heating system when outside temperature is below 60 degrees Fahrenheit.

Utilities not in service, including no running hot water

Conditions that present the imminent possibility of injury

Obstacles that prevent safe entrance or exit from the unit

Absence of a functioning toilet in the unit

Inoperable smoke detectors

If an owner fails to correct life-threatening conditions as required by the PHA, the PHA will enforce the HQS in accordance with HUD requirements. See 8-II-G.

If a family fails to correct a family-caused life-threatening condition as required by the PHA, the PHA will enforce the family obligations. See 8-II.H.

The owner will be required to repair an inoperable smoke detector unless the PHA determines that the family has intentionally disconnected it (by removing batteries or other means). In this case, the family will be required to repair the smoke detector within 24 hours.

## **8-I.D. OWNER AND FAMILY RESPONSIBILITIES [24 CFR 982.404]**

### **Family Responsibilities**

The family is responsible for correcting the following HQS deficiencies:

- Tenant-paid utilities not in service
- Failure to provide or maintain appliances owned by the family
- Damage to the unit or premises caused by a household member or guest beyond normal wear and tear that results in a breach of the HQS. "Normal wear and tear" is defined as items which could not be charged against the tenant's security deposit under state law or court practice.

### **Owner Responsibilities**

The owner is responsible for all HQS violations not listed as a family responsibility above, even if the violation is caused by the family's living habits (e.g., vermin infestation). However, if the family's actions constitute a serious or repeated lease violation the owner may take legal action to evict the family.

### **8-I.E. SPECIAL REQUIREMENTS FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL [24 CFR 35.1225]**

If a PHA is notified by a public health department or other medical health care provider, or verifies information from a source other than a public health department or medical health care provider, that a child of less than 6 years of age, living in an HCV-assisted unit has been identified as having an environmental intervention blood lead level, the PHA must complete a risk assessment of the dwelling unit. The risk assessment must be completed in accordance with program requirements, and the result of the risk assessment must be immediately provided to the owner of the dwelling unit. In cases where the public health department has already completed an evaluation of the unit, this information must be provided to the owner.

Within 30 days after receiving the risk assessment report from the PHA, or the evaluation from the public health department, the owner is required to complete the reduction of identified lead-based paint hazards in accordance with the lead-based paint regulations [24 CFR 35.1325 and 35.1330]. If the owner does not complete the “hazard reduction” as required, the dwelling unit is in violation of HQS and the PHA will take action in accordance with Section 8-II.G.

PHA reporting requirements, and data collection and record keeping responsibilities related to children with an environmental intervention blood lead level are discussed in Chapter 16.

### **8-I.F. VIOLATION OF HQS SPACE STANDARDS [24 CFR 982.401, 24 CFR 982.403]**

A dwelling unit must:

- Provide adequate space and security for the family
- Have at least one bedroom or living/sleeping room for each two persons

A unit that does not meet these HQS space standards is defined as *overcrowded*.

A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space [HCV GB p. 10-6]. A bedroom or living/sleeping room must have at least:

- One window
- Two electrical outlets in proper operating condition (permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets)

If the PHA determines that a unit is overcrowded because of an increase in family size or a change in family composition, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms.



## **PART II: THE INSPECTION PROCESS**

### **8-II.A. OVERVIEW [24 CFR 982.405]**

#### **Types of Inspections**

The PHA conducts the following types of inspections as needed. Each type of inspection is discussed in the paragraphs that follow.

- *Initial Inspections.* The PHA conducts initial inspections in response to a request from the family to approve a unit for participation in the HCV program. The unit must pass the HQS inspection on or before the effective date of the HAP Contract.
- *Annual/Biennial Inspections.* HUD requires the PHA to inspect each unit under lease at least annually or biennially, depending on PHA policy, to confirm that the unit still meets HQS. The inspection may be conducted in conjunction with the family's annual reexamination but also may be conducted separately.
- *Special Inspections.* A special inspection may be requested by the owner, the family, or a third party as a result of problems identified with a unit between annual inspections.
- *Quality Control Inspections.* HUD requires that a sample of units be inspected by a supervisor or other qualified individual to evaluate the work of the inspector(s) and to ensure that inspections are performed in compliance with the HQS.

#### **Inspection of PHA-Owned Units [24 CFR 982.352(b),]**

The PHA must obtain the services of an independent entity to perform all HQS inspections in cases where an HCV family is receiving assistance in a PHA-owned unit. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of each inspection to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

#### **Inspection Costs [Notice PIH 2016-05]**

The PHA may not charge the family for unit inspections or reinspections [24 CFR 982.405(e)]. In the case of inspections of PHA-owned units, the PHA may compensate the independent agency from ongoing administrative fee for inspections performed. The PHA and the independent agency may not charge the family any fee or charge for the inspection [24 CFR.982.352(b)].

The PHA may not charge the owner for the inspection of the unit prior to the initial term of the lease or for a first inspection during assisted occupancy of the unit. However, the PHA may charge a reasonable fee to owners for reinspections in two situations: when the owner notifies the PHA that a repair has been made but the deficiency has not been corrected, and when the time for repairs has elapsed and the deficiency has not been corrected. Fees may not be imposed for tenant-caused damages, for cases in which the inspector could not gain access to the unit, or for new deficiencies discovered during a reinspection.

The owner may not pass the cost of a reinspection fee to the family. Reinspection fees must be added to the PHA's administrative fee reserves and may only be used for activities related to the provision of tenant-based assistance.

PHA Policy

The PHA will not charge a fee for failed reinspections.

**Notice and Scheduling**

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

PHA Policy

Both the family and the owner will be given reasonable notice of all inspections. Except in the case of a life-threatening emergency, reasonable notice is considered to be not less than 48 hours. Inspections may be scheduled between 8:00 a.m. and 7:00 p.m. Generally inspections will be conducted on business days only. In the case of a life-threatening emergency, the PHA will give as much notice as possible, given the nature of the emergency.

**Owner and Family Inspection Attendance**

HUD permits the PHA to set policy regarding family and owner presence at the time of inspection [HCV GB p. 10-27].

PHA Policy

When a family occupies the unit at the time of inspection an adult family member must be present for the inspection. The presence of the owner or the owner's representative is encouraged but is not required.

At initial inspection of a vacant unit, the PHA will not require the presence of the owner or owner's representative. The presence of a family representative is permitted, but is not required.

## **8-II.B. INITIAL HQS INSPECTION [24 CFR 982.401(a)]**

### **Timing of Initial Inspections**

HUD requires the unit to pass HQS before the effective date of the lease and HAP Contract. HUD requires PHAs with fewer than 1,250 budgeted units to complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA). For PHAs with 1,250 or more budgeted units, to the extent practicable such inspection and determination must be completed within 15 days. The 15-day period is suspended for any period during which the unit is not available for inspection [982.305(b)(2)].

#### PHA Policy

The PHA will complete the initial inspection, determine whether the unit satisfies HQS, and notify the owner and the family of the determination within 15 days of submission of the Request for Tenancy Approval (RTA).

### **Inspection Results and Reinspections**

#### PHA Policy

If any HQS violations are identified, the owner will be notified of the deficiencies and be given 14 calendar days to correct them. If requested by the owner, the time frame for correcting the deficiencies may be extended by the PHA for good cause. The PHA will reinspect the unit within 5 business days of the date the owner notifies the PHA that the required corrections have been made.

If the time period for correcting the deficiencies (or any PHA-approved extension) has elapsed, or the unit fails HQS at the time of the 3<sup>rd</sup> reinspection, the PHA will notify the owner and the family that the unit has been rejected and that the family must search for another unit.

Following a failed reinspection(s) where the unit was rejected, the family may submit a new Request for Tenancy Approval after the owner has made repairs, if they are unable to locate another suitable unit.

## **Utilities**

Generally, at initial lease-up the owner is responsible for demonstrating that all utilities are in working order including those utilities that the family will be responsible for paying.

### PHA Policy

If utility service is not available for testing at the time of the initial inspection, the PHA will allow the utilities to be placed in service after the unit has met all other HQS requirements. The PHA will reinspect the unit to confirm that utilities are operational before the HAP contract is executed by the PHA.

## **Appliances**

### PHA Policy

If the family is responsible for supplying the stove and/or refrigerator, the PHA will allow the stove and refrigerator to be placed in the unit after the unit has met all other HQS requirements. The required appliances must be in place before the HAP contract is executed by the PHA. The PHA will execute the HAP contract based upon a certification from the family that the appliances have been installed and are working. A confirmatory inspection will be scheduled within 30 days of HAP contract approval.

## **8-II.C. ANNUAL/BIENNIAL HQS INSPECTIONS [24 CFR 982.405; 982.406]**

### PHA Policy

Each unit under HAP contract must be inspected biennially within 24 months of the last full HQS inspection. The PHA reserves the right to require annual inspections of any owner at any time.

The PHA will not rely on alternative inspection standards.

## **Scheduling the Inspection**

### PHA Policy

If an adult family member or other adult designee cannot be present on the scheduled date, the family should request that the PHA reschedule the inspection. The PHA and family will agree on a new inspection date that generally should take place within 5 business days of the originally-scheduled date. The PHA may schedule an inspection more than 5 business days after the original date for good cause.

If the family misses the first scheduled appointment without requesting a new inspection date, the PHA will automatically schedule a second inspection. If the family misses two scheduled inspections without PHA approval, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

## **8-II.D. SPECIAL INSPECTIONS [24 CFR 982.405(g)]**

If a participant or government official reports a life-threatening condition which the owner would be required to repair within 24 hours, the PHA must inspect the unit within 24 hours of notification. If the reported condition is not life-threatening, the PHA must inspect the unit within 15 days of notification.

### PHA Policy

During a special inspection, the PHA generally will inspect only those deficiencies that were reported. However, the inspector will record any additional HQS deficiencies that are observed and will require the responsible party to make the necessary repairs.

If the annual inspection has been scheduled or is due within 90 days of the date the special inspection is scheduled the PHA may elect to conduct a full annual inspection.

## **8-II.E. QUALITY CONTROL INSPECTIONS [24 CFR 982.405(b); HCV GB, p. 10-32]**

HUD requires a PHA supervisor or other qualified person to conduct quality control inspections of a sample of units to ensure that each inspector is conducting accurate and complete inspections and that there is consistency in the application of the HQS.

The unit sample must include only units that have been inspected within the preceding 3 months. The selected sample will include (1) each type of inspection (initial, annual, and special), (2) inspections completed by each inspector, and (3) units from a cross-section of neighborhoods.

## **8-II.F. INSPECTION RESULTS AND REINSPECTIONS FOR UNITS UNDER HAP CONTRACT**

### **Notification of Corrective Actions**

The owner and the family will be notified in writing of the results of all inspections. When an inspection identifies HQS failures, the PHA will determine (1) whether or not the failure is a life-threatening condition and (2) whether the family or owner is responsible.

#### PHA Policy

When life-threatening conditions are identified, the PHA will immediately notify both parties by telephone, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of the inspection.

When failures that are not life-threatening are identified, the PHA will send the owner and the family a written notification of the inspection results within 5 business days of the inspection. The written notice will specify who is responsible for correcting the violation, and the time frame within which the failure must be corrected. Generally not more than 30 days will be allowed for the correction.

The notice of inspection results will inform the owner that if life-threatening conditions are not corrected within 24 hours, and non-life threatening conditions are not corrected within the specified time frame (or any PHA-approved extension), the owner's HAP will be abated in accordance with PHA policy (see 8-II.G.). Likewise, in the case of family caused deficiencies, the notice will inform the family that if corrections are not made within the specified time frame (or any PHA-approved extension, if applicable) the family's assistance will be terminated in accordance with PHA policy (see Chapter 12).

## **Extensions**

For conditions that are life-threatening, the PHA cannot grant an extension to the 24 hour corrective action period. For conditions that are not life-threatening, the PHA may grant an exception to the required time frames for correcting the violation, if the PHA determines that an extension is appropriate [24 CFR 982.404].

### PHA Policy

Extensions will be granted in cases where the PHA has determined that the owner has made a good faith effort to correct the deficiencies and is unable to for reasons beyond the owner's control. Reasons may include, but are not limited to:

A repair cannot be completed because required parts or services are not available.

A repair cannot be completed because of weather conditions.

A reasonable accommodation is needed because the family includes a person with disabilities.

The length of the extension will be determined on a case by case basis, but will not exceed 60 days, except in the case of delays caused by weather conditions. In the case of weather conditions, extensions may be continued until the weather has improved sufficiently to make repairs possible. Weather related extension requests will only be considered between October and March. The necessary repairs must be made within 15 calendar days, once the weather conditions have subsided.

## **Reinspections**

### PHA Policy

The PHA will conduct a reinspection immediately following the end of the corrective period, or any PHA approved extension.

The family and owner will be given reasonable notice of the reinspection appointment. If the deficiencies have not been corrected by the time of the reinspection, the PHA will send a notice of abatement to the owner, or in the case of family caused violations, a notice of termination to the family, in accordance with PHA policies. If the PHA is unable to gain entry to the unit in order to conduct the scheduled reinspection, the PHA will consider the family to have violated its obligation to make the unit available for inspection. This may result in termination of the family's assistance in accordance with Chapter 12.

## **8-II.G. ENFORCING OWNER COMPLIANCE**

If the owner fails to maintain the dwelling unit in accordance with HQS, the PHA must take prompt and vigorous action to enforce the owner obligations.

### **HAP Abatement**

If an owner fails to correct HQS deficiencies by the time specified by the PHA, HUD requires the PHA to abate housing assistance payments no later than the first of the month following the specified correction period (including any approved extension) [24 CFR 985.3(f)]. No retroactive payments will be made to the owner for the period of time the rent was abated. Owner rents are not abated as a result of HQS failures that are the family's responsibility.

#### PHA Policy

The PHA will make all HAP abatements effective the day after the PHA specified correction period (including an extension).

The PHA will inspect abated units within 5 business days of the owner's notification that the work has been completed. Payment will resume effective on the day the unit passes inspection.

During any abatement period the family continues to be responsible for its share of the rent. The owner must not seek payment from the family for abated amounts and may not use the abatement as cause for eviction.

### **HAP Contract Termination**

The PHA must decide how long any abatement period will continue before the HAP contract will be terminated. The PHA should not terminate the contract until the family finds another unit, provided the family does so in a reasonable time [HCV GB p. 10-29] and must give the owner reasonable notice of the termination. The PHA will issue a voucher to permit the family to move to another unit as described in Chapter 10.

#### PHA Policy

The maximum length of time that HAP may be abated is 90 days. However, if the owner completes corrections and notifies the PHA before the termination date of the HAP contract, the PHA may rescind the termination notice if (1) the family still resides in the unit and wishes to remain in the unit and (2) the unit passes inspection.

Reasonable notice of HAP contract termination by the PHA is 30 days.

## **8-II.H. ENFORCING FAMILY COMPLIANCE WITH HQS [24 CFR 982.404(b)]**

Families are responsible for correcting any HQS violations listed in paragraph 8.I.D. If the family fails to correct a violation within the period allowed by the PHA (and any extensions), the PHA will terminate the family's assistance, according to the policies described in Chapter 12.

If the owner carries out a repair for which the family is responsible under the lease, the owner may bill the family for the cost of the repair.

## **PART III: RENT REASONABLENESS [24 CFR 982.507]**

### **8-III.A. OVERVIEW**

Except in the case of certain LIHTC- and HOME-assisted units, no HAP contract can be approved until the PHA has determined that the rent for the unit is reasonable. The purpose of the rent reasonableness test is to ensure that a fair rent is paid for each unit rented under the HCV program.

HUD regulations define a reasonable rent as one that does not exceed the rent charged for comparable, unassisted units in the same market area. HUD also requires that owners not charge more for assisted units than for comparable units on the premises. This part explains the method used to determine whether a unit's rent is reasonable.

#### **PHA-Owned Units [24 CFR 982.352(b)]**

In cases where an HCV family is receiving assistance in a PHA-owned unit, the PHA must obtain the services of an independent entity to determine rent reasonableness in accordance with program requirements, and to assist the family in negotiating the contract rent when the family requests assistance. A PHA-owned unit is defined as a unit that is owned by the PHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the PHA). The independent agency must communicate the results of the rent reasonableness determination to the family and the PHA. The independent agency must be approved by HUD, and may be the unit of general local government for the PHA jurisdiction (unless the PHA is itself the unit of general local government or an agency of such government).

## **8-III.B. WHEN RENT REASONABLENESS DETERMINATIONS ARE REQUIRED**

### **Owner-Initiated Rent Determinations**

The PHA must make a rent reasonableness determination at initial occupancy and whenever the owner requests a rent adjustment.

The owner and family first negotiate the rent for a unit. The PHA (or independent agency in the case of PHA-owned units) will assist the family with the negotiations upon request. At initial occupancy the PHA must determine whether the proposed rent is reasonable before a HAP Contract is signed. The owner must not change the rent during the initial lease term. Subsequent requests for rent adjustments must be consistent with the lease between the owner and the family. Rent increases will not be approved unless any failed items identified by the most recent HQS inspection have been corrected.

#### PHA Policy

After the initial occupancy period, the owner may request a rent adjustment in accordance with the owner's lease. For rent increase requests after initial lease-up, the PHA may request owners to provide information about the rents charged for other units on the premises, if the premises include more than 4 units. In evaluating the proposed rents in comparison to other units on the premises the PHA will consider unit size and length of tenancy in the other units.

The PHA will determine whether the requested increase is reasonable at least 30 days prior to when the increase is to be implemented. The owner will be notified of the determination.

All rents adjustments will be effective the first of the month following 60 days after the PHA's receipt of the owner's request or on the date specified by the owner, whichever is later.

### **PHA- and HUD-Initiated Rent Reasonableness Determinations**

HUD requires the PHA to make a determination of rent reasonableness (even if the owner has not requested a change) if there is a 5 percent decrease in the Fair Market Rent that goes into effect at least 60 days before the contract anniversary date. HUD also may direct the PHA to make a determination at any other time. The PHA may decide that a new determination of rent reasonableness is needed at any time.

#### PHA Policy

In addition to the instances described above, the PHA will make a determination of rent reasonableness at any time after the initial occupancy period if: (1) the PHA determines that the initial rent reasonableness determination was in error or (2) the PHA determines that the information provided by the owner about the unit or other units on the same premises was incorrect.

## **LIHTC- and HOME-Assisted Units [24 CFR 982.507(c)]**

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

For LIHTCs, if the rent requested by the owner does exceed the LIHTC rents for non-voucher families, the PHA must perform a rent comparability study in accordance with program regulations. In such cases, the rent shall not exceed the lesser of: (1) the reasonable rent as determined from the rent comparability study; or (2) the payment standard established by the PHA for the unit size involved.

### **8-III.C. HOW COMPARABILITY IS ESTABLISHED**

#### **Factors to Consider**

HUD requires PHAs to take into consideration the factors listed below when determining rent comparability. The PHA may use these factors to make upward or downward adjustments to the rents of comparison units when the units are not identical to the HCV-assisted unit.

- Location and age
- Unit size including the number of rooms and square footage of rooms
- The type of unit including construction type (e.g., single family, duplex, garden, low-rise, high-rise)
- The quality of the units including the quality of the original construction, maintenance and improvements made
- Amenities, services, and utilities included in the rent

#### **Units that Must Not Be Used as Comparables**

Comparable units must represent unrestricted market rents. Therefore, units that receive some form of federal, state, or local assistance that imposes rent restrictions cannot be considered comparable units. These include units assisted by HUD through any of the following programs: Section 8 project-based assistance, Section 236 and Section 221(d)(3) Below Market Interest Rate (BMIR) projects, HOME or Community Development Block Grant (CDBG) program-assisted units in which the rents are subsidized; units subsidized through federal, state, or local tax credits; units subsidized by the Department of Agriculture rural housing programs, and units that are rent-controlled by local ordinance.

**Note:** Notice PIH 2011-46, issued August 17, 2011, provides further guidance on the issue of what constitutes an assisted unit.

### **Rents Charged for Other Units on the Premises**

The Request for Tenancy Approval (HUD-52517) requires owners to provide information, on the form itself, about the rent charged for other unassisted comparable units on the premises if the premises include more than 4 units.

By accepting the PHA payment each month the owner certifies that the rent is not more than the rent charged for comparable unassisted units on the premises. If asked to do so, the owner must give the PHA information regarding rents charged for other units on the premises.

## **8-III.D. PHA RENT REASONABLENESS METHODOLOGY**

### **How Market Data Is Collected**

#### PHA Policy

The PHA will collect and maintain data on market rents in the PHA's jurisdiction. Information sources include newspapers, realtors, market surveys, inquiries of owners and other available sources. The data will be maintained by bedroom size and market areas. Market areas may be defined by zip codes, census tract, neighborhood, and identifiable natural or man-made boundaries. The data will be updated on an ongoing basis and rent information that is more than 12 months old will be eliminated from the database.

### **How Rents Are Determined**

#### PHA Policy

The PHA uses EZ-RRD, a rent reasonableness compliant methodology. EZ-RRD uses Value of the Unit Location (VUL), which provides for an accurate location comparison. This methodology is especially effective in markets that contain several different property values within a relatively small area. To determine rent reasonableness VUL:

1. Assigns neighborhood (location) value rating (above average neighborhood, average neighborhood, and below average neighborhood) to target property by considering a one-to three-block area immediately surrounding the target property
2. Assigns a value rating to the eight remaining HUD required characteristics (building type, quality, age, unit size, amenities, housing services, maintenance, and utilities provided by owner)
3. Combines all value ratings for a total property value rating
4. Identifies the closest comparable properties with the same or closest total value rating as the target property (these comps may or may not be in the same immediate geographical area).

When a comparable project offers rent concessions (e.g., first month rent-free, or reduced rent) reported monthly rents will be adjusted accordingly. For example, if a comparable project reports rents of \$500/month but new tenants receive the first month's rent free, the actual rent for the unit would be calculated as follows:  $\$500 \times 11 \text{ months} = 5500/12 \text{ months} = \text{actual monthly rent of } \$488$ .

The PHA will notify the owner of the rent the PHA can approve based upon its analysis of rents for comparable units. The owner may submit information about other comparable units in the market area. The PHA will confirm the accuracy of the information provided and consider this additional information when making rent determinations. The owner must submit any additional information within 14 business days of the PHA's request for information or the owner's request to submit information.

## **EXHIBIT 8-1: OVERVIEW OF HUD HOUSING QUALITY STANDARDS**

Note: This document provides an overview of HQS. For more detailed information see the following documents:

- 24 CFR 982.401, Housing Quality Standards (HQS)
- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

### **Sanitary Facilities**

The dwelling unit must include sanitary facilities within the unit. The sanitary facilities must be usable in privacy and must be in proper operating condition and adequate for personal cleanliness and disposal of human waste.

### **Food Preparation and Refuse Disposal**

The dwelling unit must have space and equipment suitable for the family to store, prepare, and serve food in a sanitary manner.

### **Space and Security**

The dwelling unit must provide adequate space and security for the family. This includes having at least one bedroom or living/sleeping room for each two persons.

### **Thermal Environment**

The unit must have a safe system for heating the dwelling unit. Air conditioning is not required but if provided must be in proper operating condition. The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Portable electric room heaters or kitchen stoves with built-in heating units are not acceptable as a primary source of heat for units located in climatic areas where permanent heat systems are required.

### **Illumination and Electricity**

Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. Minimum standards are set for different types of rooms. Once the minimum standards are met, the number, type and location of electrical sources are a matter of tenant preference.

### **Structure and Materials**

The dwelling unit must be structurally sound. Handrails are required when four or more steps (risers) are present, and protective railings are required when porches, balconies, and stoops are thirty inches or more off the ground. The elevator servicing the unit must be working [if there is one]. Manufactured homes must have proper tie-down devices capable of surviving wind loads common to the area.

## **Interior Air Quality**

The dwelling unit must be free of air pollutant levels that threaten the occupants' health. There must be adequate air circulation in the dwelling unit. Bathroom areas must have one openable window or other adequate ventilation. Any sleeping room must have at least one window. If a window was designed to be opened, it must be in proper working order.

## **Water Supply**

The dwelling unit must be served by an approved public or private water supply that is sanitary and free from contamination. Plumbing fixtures and pipes must be free of leaks and threats to health and safety.

## **Lead-Based Paint**

Lead-based paint requirements apply to dwelling units built prior to 1978 that are occupied or can be occupied by families with children under six years of age, excluding zero bedroom dwellings. Owners must:

- Disclose known lead-based paint hazards to prospective tenants before the lease is signed,
- provide all prospective families with "Protect Your Family from Lead in Your Home",
- Stabilize deteriorated painted surfaces and conduct hazard reduction activities when identified by the PHA
- Notify tenants each time such an activity is performed
- Conduct all work in accordance with HUD safe practices
- As part of ongoing maintenance ask each family to report deteriorated paint.

For units occupied by environmental intervention blood lead level (lead poisoned) children under six years of age, a risk assessment must be conducted (paid for by the PHA). If lead hazards are identified during the risk assessment, the owner must complete hazard reduction activities.

See HCV GB p. 10-15 for a detailed description of these requirements. For additional information on lead-based paint requirements see 24 CFR 35, Subparts A, B, M, and R.

## **Access**

Use and maintenance of the unit must be possible without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire.

## **Site and Neighborhood**

The site and neighborhood must be reasonably free from disturbing noises and reverberations, excessive trash or vermin, or other dangers to the health, safety, and general welfare of the occupants.

**Sanitary Condition**

The dwelling unit and its equipment must be in sanitary condition and free of vermin and rodent infestation. The unit must have adequate barriers to prevent infestation.

**Smoke Detectors**

Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any person with a hearing impairment, smoke detectors must have an appropriate alarm system as specified in NFPA 74 (or successor standards).

**Hazards and Health/Safety**

The unit, interior and exterior common areas accessible to the family, the site, and the surrounding neighborhood must be free of hazards to the family's health and safety.

<p style="text-align: center;"><b>EXHIBIT 8-2: SUMMARY OF TENANT PREFERENCE AREAS RELATED TO HOUSING QUALITY</b></p>
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Note: This document provides an overview of unit and site characteristics and conditions for which the family determines acceptability. For more detailed information see the following documents:

- Housing Choice Voucher Guidebook, Chapter 10.
- HUD Housing Inspection Manual for Section 8 Housing
- HUD Inspection Form, form HUD-52580 (3/01) and Inspection Checklist, form HUD-52580-A (9/00)

Provided the minimum housing quality standards have been met, HUD permits the family to determine whether the unit is acceptable with regard to the following characteristics.

- *Sanitary Facilities.* The family may determine the adequacy of the cosmetic condition and quality of the sanitary facilities, including the size of the lavatory, tub, or shower; the location of the sanitary facilities within the unit; and the adequacy of the water heater.
- *Food Preparation and Refuse Disposal.* The family selects size and type of equipment it finds acceptable. When the family is responsible for supplying cooking appliances, the family may choose to use a microwave oven in place of a conventional oven, stove, or range. When the owner is responsible for providing cooking appliances, the owner may offer a microwave oven in place of an oven, stove, or range only if other subsidized and unsubsidized units on the premises are furnished with microwave ovens only. The adequacy of the amount and type of storage space, the cosmetic conditions of all equipment, and the size and location of the kitchen are all determined by the family.
- *Space and Security.* The family may determine the adequacy of room sizes and room locations. The family is also responsible for deciding the acceptability of the type of door and window locks.
- *Energy conservation items.* The family may determine whether the amount of insulation, presence of absence of storm doors and windows and other energy conservation items are acceptable.
- *Illumination and Electricity.* The family may determine whether the location and the number of outlets and fixtures (over and above those required to meet HQS standards) are acceptable or if the amount of electrical service is adequate for the use of appliances, computers, or stereo equipment.

- (6) *Structure and Materials*. Families may determine whether minor defects, such as lack of paint, or worn flooring or carpeting will affect the livability of the unit.
- (7) *Indoor Air*. Families may determine whether window and door screens, filters, fans, or other devices for proper ventilation are adequate to meet the family's needs. However, if screens are present they must be in good condition.
- (8) *Sanitary Conditions*. The family determines whether the sanitary conditions in the unit, including minor infestations, are acceptable.
- (9) *Neighborhood conditions*. Families may determine whether neighborhood conditions such as the presence of drug activity, commercial enterprises, and convenience to shopping will affect the livability of the unit.

Families have no discretion with respect to lead-based paint standards and smoke detectors.

## Chapter 9

### GENERAL LEASING POLICIES

#### INTRODUCTION

Chapter 9 covers the lease-up process from the family's submission of a Request for Tenancy Approval to execution of the HAP contract.

In order for the PHA to assist a family in a particular dwelling unit, or execute a Housing Assistance Payments (HAP) contract with the owner of a dwelling unit, the PHA must determine that all the following program requirements are met:

- The unit itself must qualify as an eligible unit [24 CFR 982.305(a)]
- The unit must be inspected by the PHA and meet the Housing Quality Standards (HQS) [24 CFR 982.305(a)]
- The lease offered by the owner must be approvable and must include the required Tenancy Addendum [24 CFR 982.305(a)]
- The rent to be charged by the owner for the unit must be reasonable [24 CFR 982.305(a)]
- The owner must be an eligible owner, approvable by the PHA, with no conflicts of interest [24 CFR 982.306]
- For families initially leasing a unit only: Where the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family cannot exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]

## **9-I.A. TENANT SCREENING**

The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy [24 CFR 982.307(a)(1)].

The PHA may elect to screen applicants for family behavior or suitability for tenancy. See Chapter 3 for a discussion of the PHA's policies with regard to screening applicant families for program eligibility [24 CFR 982.307(a)(1)].

The owner is responsible for screening and selection of the family to occupy the owner's unit. At or before PHA approval of the tenancy, the PHA must inform the owner that screening and selection for tenancy is the responsibility of the owner [24 CFR 982.307(a)(2)]. The PHA must also inform the owner or manager of his/her rights and obligations under the Violence against Women Act of 2013 (VAWA) [24 CFR 5.2005(a)(2)].

The PHA must provide the owner with the family's current and prior address (as shown in the PHA records) and the name and address (if known to the PHA) of the landlord at the family's current and prior address [24 CFR 982.307(b)(1)].

The PHA is permitted, but not required, to offer the owner other information in the PHA's possession about the tenancy history or drug trafficking of family members [24 CFR 982.307(b)(2)].

The PHA's policy on providing information to the owner must be included in the family's briefing packet [24 CFR 982.307(b)(3)].

The PHA may not disclose to the owner any confidential information provided by the family in response to a PHA request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(b)(4)].

### PHA Policy

The PHA will not screen applicants for family behavior or suitability for tenancy.

The PHA will not provide additional screening information to the owner.

### **9-I.B. REQUESTING TENANCY APPROVAL [Form HUD-52517]**

After the family is issued a voucher, the family must locate an eligible unit, with an owner or landlord willing to participate in the voucher program. Once a family finds a suitable unit and the owner is willing to lease the unit under the program, the owner and the family must request the PHA to approve the assisted tenancy in the selected unit.

The owner and the family must submit two documents to the PHA:

- Completed Request for Tenancy Approval (RTA) – Form HUD-52517
- Copy of the proposed lease, including the HUD-prescribed Tenancy Addendum – Form HUD-52641-A

The RTA contains important information about the rental unit selected by the family, including the unit address, number of bedrooms, structure type, year constructed, utilities included in the rent, and the requested beginning date of the lease, necessary for the PHA to determine whether to approve the assisted tenancy in this unit.

Owners must certify to the most recent amount of rent charged for the unit and provide an explanation for any difference between the prior rent and the proposed rent.

Owners must certify that they are not the parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has granted a request for reasonable accommodation for a person with disabilities who is a member of the tenant household.

For units constructed prior to 1978, owners must either 1) certify that the unit, common areas, and exterior have been found to be free of lead-based paint by a certified inspector; or 2) attach a lead-based paint disclosure statement.

Both the RTA and the proposed lease must be submitted no later than the expiration date stated on the voucher. [HCV GB p.8-15].

### PHA Policy

The RTA must be signed by both the family and the owner.

The owner may submit the RTA on behalf of the family.

Completed RTA (including the proposed dwelling lease) must be submitted as hard copies, in-person, by mail, email, or by fax.

The family may not submit, and the PHA will not process, more than one (1) RTA at a time.

When the family submits the RTA the PHA will review the RTA for completeness.

If the RTA is incomplete (including lack of signature by family, owner, or both), or if the dwelling lease is not submitted with the RTA, the PHA will notify the family and the owner of the deficiencies.

Missing information and/or missing documents will be accepted as hard copies, in-person, by mail, email, or by fax. If the PHA deems necessary, the PHA will accept missing information over the phone, clearly noting the change in red and noting who authorized the change.

When the family submits the RTA and proposed lease, the PHA will also review the terms of the RTA for consistency with the terms of the proposed lease.

If the terms of the RTA are not consistent with the terms of the proposed lease, the PHA will notify the family and the owner of the discrepancies.

Corrections will be accepted as hard copies, in-person, by mail, email, or by fax. If the PHA deems necessary, the PHA will accept corrections over the phone, clearly noting the change in red and noting who authorized the change.

Because of the time sensitive nature of the tenancy approval process, the PHA will attempt to communicate with the owner and family by phone, fax, or email. The PHA will use mail when the parties cannot be reached by phone, fax, or email.

## **9-I.C. OWNER PARTICIPATION**

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. There are also criteria for which the PHA must disapprove an owner. No owner has a right to participate in the HCV program [24 CFR 982.306(e)]

See Chapter 13 for a full discussion of owner qualification to participate in the HCV program.

## **9-I.D. ELIGIBLE UNITS**

There are a number of criteria that a dwelling unit must meet in order to be eligible for assistance under the voucher program. Generally, a voucher-holder family may choose any available rental dwelling unit on the market in the PHA's jurisdiction. This includes the dwelling unit they are currently occupying.

### **Ineligible Units [24 CFR 982.352(a)]**

The PHA may not assist a unit under the voucher program if the unit is a public housing or Indian housing unit; a unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C. 1437f); nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services; college or other school dormitories; units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; a unit occupied by its owner or by a person with any interest in the unit.

### **PHA-Owned Units [24 CFR 982.352(b)]**

Otherwise eligible units that are owned or substantially controlled by the PHA issuing the voucher may also be leased in the voucher program. In order for a PHA-owned unit to be leased under the voucher program, the unit must not be ineligible housing and the PHA must inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA.

#### PHA Policy

The PHA has eligible PHA-owned units available for leasing under the voucher program.

The PHA will inform the family of this housing at the time of the briefing. The PHA will also inform the family, both orally and in writing, that the family has the right to select any eligible unit available for lease and that the family is free to select a PHA-owned unit without any pressure or steering by the PHA.

### **Special Housing Types [24 CFR 982 Subpart M]**

HUD regulations permit, but do not generally require, the PHA to permit families to use voucher assistance in a number of special housing types in accordance with the specific requirements applicable to those programs. These special housing types include single room occupancy (SRO) housing, congregate housing, group home, shared housing, manufactured home space (where the family owns the manufactured home and leases only the space), cooperative housing and homeownership option. See Chapter 15 for specific information and policies on any of these housing types that the PHA has chosen to allow.

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

### **Duplicative Assistance [24 CFR 982.352(c)]**

A family may not receive the benefit of HCV tenant-based assistance while receiving the benefit of any of the following forms of other housing subsidy, for the same unit or for a different unit:

- Public or Indian housing assistance;
- Other Section 8 assistance (including other tenant-based assistance);
- Assistance under former Section 23 of the United States Housing Act of 1937 (before amendment by the Housing and Community Development Act of 1974);
- Section 101 rent supplements;
- Section 236 rental assistance payments;
- Tenant-based assistance under the HOME Program;
- Rental assistance payments under Section 521 of the Housing Act of 1949 (a program of the Rural Development Administration);
- Any local or State rent subsidy;
- Section 202 supportive housing for the elderly;
- Section 811 supportive housing for persons with disabilities; (11) Section 202 projects for non-elderly persons with disabilities (Section 162 assistance); or
- Any other duplicative federal, State, or local housing subsidy, as determined by HUD. For this purpose, 'housing subsidy' does not include the housing component of a welfare payment, a social security payment received by the family, or a rent reduction because of a tax credit.

### **Housing Quality Standards (HQS) [24 CFR 982.305 and 24 CFR 982.401]**

In order to be eligible, the dwelling unit must be in decent, safe and sanitary condition. This determination is made using HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD. See Chapter 8 for a full discussion of the HQS standards, as well as the process for HQS inspection at initial lease-up.

## **Unit Size**

In order to be eligible, the dwelling unit must be appropriate for the number of persons in the household. A family must be allowed to lease an otherwise acceptable dwelling unit with fewer bedrooms than the number of bedrooms stated on the voucher issued to the family, provided the unit meets the applicable HQS space requirements [24 CFR 982.402(d)]. The family must be allowed to lease an otherwise acceptable dwelling unit with more bedrooms than the number of bedrooms stated on the voucher issued to the family. See Chapter 5 for a full discussion of subsidy standards.

## **Rent Reasonableness [24 CFR 982.305 and 24 CFR 982.507]**

In order to be eligible, the dwelling unit must have a reasonable rent. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See Chapter 8 for a full discussion of rent reasonableness and the rent reasonableness determination process.

## **Rent Burden [24 CFR 982.508]**

Where a family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the family share cannot exceed 40 percent of the family's adjusted monthly income. The term "family share" refers to the amount the family pays toward rent and utilities. The gross rent for the unit minus the total housing assistance payment (HAP) for the unit equals the family share. See Chapter 6 for a discussion of calculation of gross rent, the use of payment standards, and calculation of family income, family share of rent and HAP.

## **9-I.E. LEASE AND TENANCY ADDENDUM**

The family and the owner must execute a written dwelling lease agreement for the assisted unit. This written lease is a contract between the tenant family and the owner; the PHA is not a party to this contract.

The tenant must have legal capacity to enter a lease under State and local law. 'Legal capacity' means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner [24 CFR 982.308(a)]

### **Lease Form and Tenancy Addendum [24 CFR 982.308]**

If the owner uses a standard lease form for rental to unassisted tenants in the locality or the premises, the lease must be in such standard form. If the owner does not use a standard lease form for rental to unassisted tenants, the owner may use another form of lease. The HAP contract prescribed by HUD contains the owner's certification that if the owner uses a standard lease form for rental to unassisted tenants, the lease for the assisted tenants is in such standard form.

All provisions in the HUD-required Tenancy Addendum must be added word-for-word to the owner's standard lease form. The Tenancy Addendum includes the HUD requirements for the tenancy. Because it is a part of the lease, the tenant shall have the right to enforce the Tenancy Addendum against the owner. If there is a conflict between the owner's lease and the Tenancy Addendum, the terms of the Tenancy Addendum shall prevail over any other provisions of the lease.

#### PHA Policy

The PHA does not provide a model or standard dwelling lease for owners to use in the HCV program.

### **Lease Information [24 CFR 982.308(d)]**

The assisted dwelling lease must contain all of the required information as listed below:

- The names of the owner and the tenant:
- The unit rented (address, apartment number, and any other information needed to identify the contract unit)
- The term of the lease (initial term and any provisions for renewal)
- The amount of the monthly rent to owner
- A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family

## **Term of Assisted Tenancy**

The initial term of the assisted dwelling lease must be for at least one year [24 CFR 982.309]. The initial lease term is also stated in the HAP contract.

The HUD program regulations permit the PHA to approve a shorter initial lease term if certain conditions are met.

### PHA Policy

The PHA will approve an initial lease term of less than one (1) year only where the PHA determines and can clearly document that: (i) Such shorter term would improve housing opportunities for the tenant; and (ii) Such shorter term is the prevailing local market practice.

During the initial term of the lease, the owner may not raise the rent to owner [24 CFR 982.309].

Any provisions for renewal of the dwelling lease will be stated in the dwelling lease [HCV Guidebook, pg. 8-22]. There are no HUD requirements regarding any renewal extension terms, except that they must be stated in the dwelling lease if they exist.

The PHA may execute the HAP contract even if there is less than one year remaining from the beginning of the initial lease term to the end of the last expiring funding increment under the consolidated ACC. [24 CFR 982.309(b)].

## **Security Deposit [24 CFR 982.313 (a) and (b)]**

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants. However, if the PHA chooses to do so, language to this effect must be added to Part A of the HAP contract [Form HUD-52641].

### PHA Policy

The PHA will allow the owner to collect any security deposit amount the owner determines is appropriate. Therefore, no modifications to the HAP contract will be necessary.

## **Separate Non-Lease Agreements between Owner and Tenant**

Owners may not demand or accept any rent payment from the family in excess of the rent to the owner as approved by the PHA minus the PHA's housing assistance payments to the owner [24 CFR 982.451(b)(4)].

The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)].

### PHA Policy

The PHA permits owners and families to execute separate, non-lease agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease.

Any items, appliances, or other services that are customarily provided to unassisted families as part of the dwelling lease with those families, or are permanently installed in the dwelling unit must be included in the dwelling lease for the assisted family. These items, appliances or services cannot be placed under a separate non-lease agreement between the owner and family. Side payments for additional rent, or for items, appliances or services customarily provided to unassisted families as part of the dwelling lease for those families, are prohibited.

Any items, appliances, or other services that are not customarily provided to unassisted families as part of the dwelling lease with those families, are not permanently installed in the dwelling unit and where the family has the sole option of not utilizing the item, appliance or service, may be included in a separate non-lease agreement between the owner and the family.

The family is not liable and cannot be held responsible under the terms of the assisted dwelling lease for any charges pursuant to a separate non-lease agreement between the owner and the family. Non-payment of any charges pursuant to a separate non-lease agreement between the owner and the family cannot be a cause for eviction or termination of tenancy under the terms of the assisted dwelling lease.

Separate non-lease agreements that involve additional items, appliances or other services may be considered amenities offered by the owner and may be taken into consideration when determining the reasonableness of the rent for the property.

## **PHA Review of Lease**

The PHA will review the dwelling lease for compliance with all applicable requirements.

### PHA Policy

If the dwelling lease is incomplete or incorrect, the PHA will notify the family and the owner of the deficiencies. Missing and corrected lease information will only be accepted as hard copies, in-person, by mail, or by fax. The PHA will not accept missing and corrected information over the phone

Because the initial leasing process is time-sensitive, the PHA will attempt to communicate with the owner and family by phone, fax, or email. The PHA will use mail when the parties can't be reached by phone, fax, or email.

The PHA is permitted, but is not required, to review the lease to determine if the lease complies with State and local law and is permitted to decline to approve the tenancy if the PHA determines that the lease does not comply with State or local law [24 CFR 982.308(c)]

### PHA Policy

The PHA will not review the owner's lease for compliance with state/local law.

## **9-I.F. TENANCY APPROVAL [24 CFR 982.305]**

After receiving the family's Request for Tenancy Approval, with proposed dwelling lease, the PHA must promptly notify the family and owner whether the assisted tenancy is approved.

Prior to approving the assisted tenancy and execution of a HAP contract, the PHA must ensure that all required actions and determinations, discussed in Part I of this chapter have been completed.

These actions include ensuring that the unit is eligible; the unit has been inspected by the PHA and meets the Housing Quality Standards (HQS); the lease offered by the owner is approvable and includes the required Tenancy Addendum; the rent to be charged by the owner for the unit must be reasonable; where the family is initially leasing a unit and the gross rent of the unit exceeds the applicable payment standard for the family, the share of rent to be paid by the family does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]; the owner is an eligible owner, not disapproved by the PHA, with no conflicts of interest [24 CFR 982.306]; the family and the owner have executed the lease, including the Tenancy Addendum, and the lead-based paint disclosure information [24 CFR 982.305(b)].

### PHA Policy

The PHA will complete its determination within 14 business days of receiving all required information.

If the terms of the RTA/proposed lease are changed for any reason, including but not limited to negotiation with the PHA, the PHA will obtain corrected copies of the RTA and proposed lease, signed by the family and the owner.

Corrections to the RTA/proposed lease will be accepted as hard copies, in-person, by mail, email, or by fax. If the PHA deems necessary, the PHA will accept corrections over the phone, clearly noting the change in red and noting who authorized the change.

If the PHA determines that the tenancy cannot be approved for any reason, the owner and the family will be notified in writing and given the opportunity to address any reasons for disapproval. The PHA will instruct the owner and family of the steps that are necessary to obtain approval of the tenancy.

Where the tenancy is not approvable because the unit is not approvable, the family must continue to search for eligible housing within the timeframe of the issued voucher.

If the tenancy is not approvable due to rent affordability or rent reasonableness, the PHA will attempt to negotiate the rent with the owner. If a new, approvable rent is negotiated, the tenancy will be approved. If the owner is not willing to negotiate an approvable rent, the family must continue to search for eligible housing within the timeframe of the issued voucher.

## **9-I.G. HAP CONTRACT EXECUTION [24 CFR 982.305]**

The HAP contract is a written agreement between the PHA and the owner of the dwelling unit. Under the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of the family, and the owner agrees to comply with all program requirements as stated in the HAP contract.

The HAP contract form is prescribed by HUD.

If the PHA has given approval for the family of the assisted tenancy, the owner and the PHA must execute the HAP contract.

The term of the HAP contract must be the same as the term of the lease [24 CFR 982.451(a)(2)].

The PHA is permitted to execute a HAP contract even if the funding currently available does not extend for the full term of the HAP contract.

The PHA must make a best effort to ensure that the HAP contract is executed before the beginning of the lease term. Regardless, the HAP contract must be executed no later than 60 calendar days from the beginning of the lease term.

The PHA may not pay any housing assistance payment to the owner until the HAP contract has been executed. If the HAP contract is executed during the period of 60 calendar days from the beginning of the lease term, the PHA will pay housing assistance payments after execution of the HAP contract (in accordance with the terms of the HAP contract), to cover the portion of the lease term before execution of the HAP contract (a maximum of 60 days).

Any HAP contract executed after the 60 day period is void, and the PHA may not pay any housing assistance payment to the owner.

### PHA Policy

Owners who have not previously participated in the HCV program will be invited to attend a meeting with the PHA in which the terms of the Tenancy Addendum and the HAP contract will be explained.

The owner and the assisted family will execute the dwelling lease and the owner must provide a copy to the PHA. The PHA will ensure that both the owner and the assisted family receive copies of the dwelling lease.

The owner and the PHA will execute the HAP contract. The PHA will not execute the HAP contract until the owner has submitted IRS form W-9. The PHA will ensure that the owner receives a copy of the executed HAP contract.

See Chapter 13 for a discussion of the HAP contract and contract provisions.

### **9-I.H. CHANGES IN LEASE OR RENT [24 CFR 982.308]**

If the tenant and the owner agree to any changes in the lease, such changes must be in writing, and the owner must immediately give the PHA a copy of such changes. The lease, including any changes, must remain in accordance with the requirements of this chapter.

Generally, PHA approval of tenancy and execution of a new HAP contract are not required for changes in the lease. However, under certain circumstances, the execution of a new lease and HAP contract are required. These circumstances include:

- Changes in lease requirements governing tenant or owner responsibilities for utilities or appliances
- Changes in lease provisions governing the term of the lease
- The family moves to a new unit, even if the unit is in the same building or complex

In these cases, if the HCV assistance is to continue, the family must submit a new Request for Tenancy Approval (RTA) along with a new dwelling lease containing the proposed changes. A new tenancy must then be approved in accordance with this chapter.

Where the owner is changing the amount of the rent to owner, the owner must notify the PHA at least 60 days before any such changes go into effect [24 CFR 982.308(g)(4)]. The PHA will agree to such an increase only if the amount of the rent to owner is considered reasonable according to the rent reasonableness standards discussed in Chapter 8. If the requested rent is not found to be reasonable, the owner must either reduce the requested rent increase, or terminate the tenancy in accordance with the terms of the lease.

No rent increase is permitted during the initial term of the lease [24 CFR 982.309(a)(3)].

#### PHA Policy

Where the owner is requesting a rent increase, the PHA will determine whether the requested increase is reasonable no later than 30 days prior to the increase effective date. The owner will be notified of the determination.

Rent increases will go into effect on the first of the month following the 60 day period after the owner notifies the PHA of the rent change or on the date specified by the owner, whichever is later.

## Chapter 10

### MOVING WITH CONTINUED ASSISTANCE AND PORTABILITY

#### INTRODUCTION

Freedom of housing choice is a hallmark of the housing choice voucher (HCV) program. In general, HUD regulations impose few restrictions on where families may live or move with HCV assistance. This chapter sets forth HUD regulations and PHA policies governing moves within or outside the PHA's jurisdiction in two parts:

Part I: Moving with Continued Assistance. This part covers the general rules that apply to all moves by a family assisted under the PHA's HCV program, whether the family moves to another unit within the PHA's jurisdiction or to a unit outside the PHA's jurisdiction under portability.

Part II: Portability. This part covers the special rules that apply to moves by a family under portability, whether the family moves out of or into the PHA's jurisdiction. This part also covers the special responsibilities that the PHA has under portability regulations and procedures.

#### PART I: MOVING WITH CONTINUED ASSISTANCE

##### 10-I.A. ALLOWABLE MOVES

HUD lists six regulatory conditions under which an assisted family is allowed to move to a new unit with continued assistance. Permission to move is subject to the restrictions set forth in section 10-I.B.

- The family has a right to terminate the lease on notice to the owner (for the owner's breach or otherwise) and has given a notice of termination to the owner in accordance with the lease [24 CFR 982.354(b)(3)]. If the family terminates the lease on notice to the owner, the family must give the PHA a copy of the notice at the same time [24 CFR 982.354(d)(1)].
- The lease for the family's unit has been terminated by mutual agreement of the owner and the family [24 CFR 982.354(b)(1)(ii)].

##### PHA Policy

If the family and the owner mutually agree to terminate the lease for the family's unit, the family must give the PHA a copy of the termination agreement.

- The owner has given the family a notice to vacate, has commenced an action to evict the family, or has obtained a court judgment or other process allowing the owner to evict the family [24 CFR 982.354(b)(2)]. The family must give the PHA a copy of any owner eviction notice [24 CFR 982.551(g)].
- The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member [24 CFR 982.354(b)(4)]. This condition applies even when the family has moved out of its unit in violation of the lease, with or without prior notification to the PHA, if the family or family member who is the victim reasonably believed that he or she was imminently threatened by harm from further violence if he or she remained in the unit [24 CFR 982.354(b)(4), 24 CFR 982.353(b)].

#### PHA Policy

If a family requests permission to move with continued assistance based on a claim that the move is necessary to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, the PHA will request documentation in accordance with section 16-IX.D of this plan.

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

- The PHA has terminated the HAP contract for the family's unit for the owner's breach [24 CFR 982.354(b)(1)(i)].
- The PHA determines that the family's current unit does not meet the HQS space standards because of an increase in family size or a change in family composition. In such cases, the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for the family, the PHA must terminate the HAP contract for the family's old unit in accordance with the HAP contract terms and must notify both the family and the owner of the termination. The HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives notice to the owner. [24 CFR 982.403(a) and (c)]

## **10-I.B. RESTRICTIONS ON MOVES**

A family's right to move is generally contingent upon the family's compliance with program requirements [24 CFR 982.1(b)(2)]. HUD specifies two conditions under which a PHA may deny a family permission to move and two ways in which a PHA may restrict moves by a family.

### **Denial of Moves**

HUD regulations permit the PHA to deny a family permission to move under the following conditions:

#### ***Insufficient Funding***

The PHA may deny a family permission to move either within or outside the PHA's jurisdiction if the PHA does not have sufficient funding for continued assistance [24 CFR 982.354(e)(1)]. However, Notice PIH 2012-42 significantly restricts the ability of PHAs to deny permission to move due to insufficient funding and places further requirements on PHAs regarding moves denied due to lack of funding. The requirements found in this notice are mandatory.

#### PHA Policy

The PHA will deny a family permission to move on grounds that the PHA does not have sufficient funding for continued assistance if (a) the move is initiated by the family, not the owner or the PHA; (b) the PHA can demonstrate that the move will, in fact, result in higher subsidy costs; and (c) the PHA can demonstrate, in accordance with the policies in Part VIII of Chapter 16, that it does not have sufficient funding in its annual budget to accommodate the higher subsidy costs.

The PHA will create a list of families whose moves have been denied due to insufficient funding. When funds become available, the families on this list will take precedence over families on the waiting list. The PHA will use the same procedures for notifying families with open requests to move when funds become available as it uses for notifying families on the waiting list (see section 4-III.D).

The PHA will inform the family of its policy regarding moves denied due to insufficient funding in a letter to the family at the time the move is denied.

#### ***Grounds for Denial or Termination of Assistance***

The PHA may deny a family permission to move if it has grounds for denying or terminating the family's assistance [24 CFR 982.354(e)(2)].

#### PHA Policy

If the PHA has grounds for denying or terminating a family's assistance, the PHA will act on those grounds in accordance with the regulations and policies set forth in Chapters 3 and 12, respectively. In general, it will not deny a family permission to move for this reason; however, it retains the discretion to do so under special circumstances.

## **Restrictions on Elective Moves [24 CFR 982.354(c)]**

HUD regulations permit the PHA to prohibit any elective move by a participant family during the family's initial lease term. They also permit the PHA to prohibit more than one elective move by a participant family during any 12-month period. However, such prohibitions, if adopted, do not apply when the family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and the move is needed to protect the health or safety of the family or family member. (For the policy on documentation of abuse, see section 10-I.A.) In addition, the PHA may not establish a policy permitting moves only at reexamination [Notice PIH 2012-42].

### PHA Policy

The PHA will deny a family permission to make an elective move during the family's initial lease term. This policy applies to moves within the PHA's jurisdiction or outside it under portability.

Families will not be permitted to move outside the PHA's jurisdiction under portability procedures during the initial year of assisted occupancy, unless the head of household or the spouse/cohead had a legal residence in Lane County at the time application for assistance was submitted, or until the family has resided in Lane County under the program for a minimum period of twelve (12) months

The PHA will also deny a family permission to make more than one elective move during any 12-month period. This policy applies to all assisted families residing in the PHA's jurisdiction.

The PHA will consider exceptions to these policies for the following reasons: to protect the health or safety of a family member (e.g., lead-based paint hazards, domestic violence, witness protection programs), to accommodate a change in family circumstances (e.g., new employment, school attendance in a distant area), or to address an emergency situation over which a family has no control.

In addition, the PHA will allow exceptions to these policies for purposes of reasonable accommodation of a family member who is a person with disabilities (see Chapter 2).

## **10-I.C. MOVING PROCESS**

### **Notification**

If a family wishes to move to a new unit, the family must notify the PHA and the owner before moving out of the old unit or terminating the lease on notice to the owner [24 CFR 982.354(d)(2)]. If the family wishes to move to a unit outside the PHA's jurisdiction under portability, the notice to the PHA must specify the area where the family wishes to move [24 CFR 982.354(d)(2), Notice PIH 2012-42]. The notices must be in writing [24 CFR 982.5].

### **Approval**

#### PHA Policy

Upon receipt of a family's notification that it wishes to move, the PHA will determine whether the move is approvable in accordance with the regulations and policies set forth in sections 10-I.A and 10-I.B. The PHA will notify the family in writing of its determination within 14 business days following receipt of the family's notification.

### **Reexamination of Family Income and Composition**

#### PHA Policy

For families approved to move to a new unit within the PHA's jurisdiction, the PHA will perform a new annual reexamination in accordance with the policies set forth in Chapter 11 of this plan.

For families moving into or families approved to move out of the PHA's jurisdiction under portability, the PHA will follow the policies set forth in Part II of this chapter.

### **Voucher Issuance and Briefing**

#### PHA Policy

For families approved to move to a new unit within the PHA's jurisdiction, the PHA will issue a new voucher within 14 business days of the PHA's written approval (completion of the transfer packet) to move. No briefing is required for these families. The PHA will follow the policies set forth in Chapter 5 on voucher term, extension, and expiration. If a family does not locate a new unit within the term of the voucher and any extensions, the family may remain in its current unit with continued voucher assistance if the owner agrees and the PHA approves. Otherwise, the family will lose its assistance.

For families moving into or families approved to move out of the PHA's jurisdiction under portability, the PHA will follow the policies set forth in Part II of this chapter.

### **Housing Assistance Payments [24 CFR 982.311(d)]**

When a family moves out of an assisted unit, the PHA may not make any housing assistance payment to the owner for any month **after** the month the family moves out. The owner may keep the housing assistance payment for the month when the family moves out of the unit.

If a participant family moves from an assisted unit with continued tenant-based assistance, the term of the assisted lease for the new assisted unit may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered to constitute a duplicative housing subsidy.

## PART II: PORTABILITY

### 10-II.A. OVERVIEW

Within the limitations of the regulations and this plan, a participant family or an applicant family that has been issued a voucher has the right to use tenant-based voucher assistance to lease a unit anywhere in the United States providing that the unit is located within the jurisdiction of a PHA administering a tenant-based voucher program [24 CFR 982.353(b)]. The process by which a family obtains a voucher from one PHA and uses it to lease a unit in the jurisdiction of another PHA is known as portability. The PHA that issues the voucher is called the **initial PHA**. The PHA that has jurisdiction in the area to which the family wants to move is called the **receiving PHA**.

The receiving PHA has the option of administering the family's voucher for the initial PHA or absorbing the family into its own program. Under the first option, the receiving PHA provides all housing services for the family and bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher. Under the second option, the receiving PHA pays for the family's assistance with its own program funds, and the initial PHA has no further relationship with the family. The initial PHA must contact the receiving PHA via email or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the initial PHA's voucher. Based on the receiving PHA's response, the initial PHA must determine whether they will approve or deny the portability request [Notice PIH 2012-42].

PHAs commonly act as both the initial and receiving PHA because families may move into or out of their jurisdiction under portability. Each role involves different responsibilities. The PHA will follow the rules and policies in section 10-II.B when it is acting as the initial PHA for a family. It will follow the rules and policies in section 10-II.C when it is acting as the receiving PHA for a family.

In administering portability, the initial PHA and the receiving PHA must comply with financial procedures required by HUD, including the use of HUD-required forms [24 CFR 982.355(e)(5)].

PHAs must also comply with billing and payment deadlines. HUD may reduce an administrative fee to an initial or receiving PHA if the PHA does not comply with HUD portability requirements [24 CFR 982.355(e)(7)].

## **10-II.B. INITIAL PHA ROLE**

### **Allowable Moves under Portability**

A family may move with voucher assistance only to an area where there is at least one PHA administering a voucher program [24 CFR 982.353(b)]. If there is more than one PHA in the area, the initial PHA provides the family with the contact information for the receiving PHAs that serve the area, and the family selects the receiving PHA. The family must inform the initial PHA which PHA it has selected. If the family prefers not to select the receiving PHA, the initial PHA will select the receiving PHA on behalf of the family (24 CFR 982.255(b)).

Applicant families that have been issued vouchers as well as participant families may qualify to lease a unit outside the PHA's jurisdiction under portability. HUD regulations and PHA policy determine whether a family qualifies.

### ***Applicant Families***

Under HUD regulations, most applicant families qualify to lease a unit outside the PHA's jurisdiction under portability. However, HUD gives the PHA discretion to deny a portability move by an applicant family for the same two reasons that it may deny any move by a participant family: insufficient funding and grounds for denial or termination of assistance. If a PHA intends to deny a family permission to move under portability due to insufficient funding, the PHA must notify HUD within 10 business days of the determination to deny the move [24 CFR 982.355(e)].

#### PHA Policy

In determining whether or not to deny an applicant family permission to move under portability because the PHA lacks sufficient funding or has grounds for denying assistance to the family, the initial PHA will follow the policies established in section 10-I.B of this chapter. If the PHA does deny the move due to insufficient funding, the PHA will notify HUD in writing within 14 business days of the PHA's determination to deny the move.

In addition, the PHA may establish a policy denying the right to portability to nonresident applicants during the first 12 months after they are admitted to the program [24 CFR 982.353(c)].

#### PHA Policy

If neither the head of household nor the spouse/cohead of an applicant family had a domicile (legal residence) in the PHA's jurisdiction at the time that the family's initial application for assistance was submitted, the family must lease a unit within the initial PHA's jurisdiction for at least 12 months before requesting portability.

The PHA will consider exceptions to this policy for purposes of reasonable accommodation (see Chapter 2) or reasons related to domestic violence, dating violence, sexual assault, or stalking.

### ***Participant Families***

The initial PHA must not provide portable assistance for a participant if a family has moved out of its assisted unit in violation of the lease [24 CFR 982.353(b)]. The Violence against Women Act of 2013 (VAWA) creates an exception to this prohibition for families who are otherwise in compliance with program obligations but have moved to protect the health or safety of a family member who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the unit [24 CFR 982.353(b)].

#### PHA Policy

The PHA will determine whether a participant family may move out of the PHA's jurisdiction with continued assistance in accordance with the regulations and policies set forth here and in sections 10-I.A and 10-I.B of this chapter. The PHA will notify the family of its determination in accordance with the approval policy set forth in section 10-I.C of this chapter.

### **Determining Income Eligibility**

#### ***Applicant Families***

An applicant family may lease a unit in a particular area under portability only if the family is income eligible for admission to the voucher program in that area [24 CFR 982.353(d)(1)]. The family must specify the area to which the family wishes to move [24 CFR 982.355(c)(1)].

The initial PHA is responsible for determining whether the family is income eligible in the area to which the family wishes to move [24 CFR 982.353(d)(1), 24 CFR 982.355(9)]. If the applicant family is not income eligible in that area, the PHA must inform the family that it may not move there and receive voucher assistance [Notice PIH 2012-42].

#### ***Participant Families***

The income eligibility of a participant family is not redetermined if the family moves to a new jurisdiction under portability [24 CFR 982.353(d)(2)].

### **Reexamination of Family Income and Composition**

No new reexamination of family income and composition is required for an applicant family.

#### PHA Policy

For a participant family approved to move out of its jurisdiction under portability, the PHA generally will conduct a reexamination of family income and composition only if the family's annual reexamination must be completed on or before the initial billing deadline specified on form HUD-52665, Family Portability Information.

The PHA will make any exceptions to this policy necessary to remain in compliance with HUD regulations.

## **Briefing**

The regulations and policies on briefings set forth in Chapter 5 of this plan require the PHA to provide information on portability to all applicant families that qualify to lease a unit outside the PHA's jurisdiction under the portability procedures. Therefore, no special briefing is required for these families.

### PHA Policy

No formal briefing will be required for a participant family wishing to move outside the PHA's jurisdiction under portability. However, the PHA will provide the family with the same oral and written explanation of portability that it provides to applicant families selected for admission to the program (see Chapter 5).

The PHA will provide the name, address, and phone of the contact for the PHAs in the jurisdiction to which they wish to move. If there is more than one PHA with jurisdiction over the area to which the family wishes to move, the PHA will advise the family that the family must select the receiving PHA and notify the initial PHA of which receiving PHA was selected. The PHA will further inform the family that if the family prefers not to select the receiving PHA, the initial PHA will select the receiving PHA on behalf of the family.

The PHA will advise the family that they will be under the RHA's policies and procedures, including screening, subsidy standards, voucher extension policies, and payment standards.

## **Voucher Issuance and Term**

An applicant family has no right to portability until after the family has been issued a voucher [24 CFR 982.353(b)]. In issuing vouchers to applicant families, the PHA will follow the regulations and procedures set forth in Chapter 5.

### PHA Policy

For participating families approved to move under portability, the PHA will issue a new voucher within 14 business days of the PHA's written approval to move.

The initial term of the voucher will be 120 days.

## **Voucher Extensions and Expiration**

### PHA Policy

The PHA will approve **no** extensions to a voucher issued to an applicant or participant family porting out of the PHA's jurisdiction except under the following circumstances: (a) the initial term of the voucher will expire before the portable family will be issued a voucher by the receiving PHA, (b) the family decides to return to the initial PHA's jurisdiction and search for a unit there, or (c) the family decides to search for a unit in a third PHA's jurisdiction. In such cases, the policies on voucher extensions set forth in Chapter 5, section 5-II.E, of this plan will apply, including the requirement that the family apply for an extension in writing prior to the expiration of the initial voucher term.

To receive or continue receiving assistance under the initial PHA's voucher program, a family that moves to another PHA's jurisdiction under portability must be under HAP contract in the receiving PHA's jurisdiction within 90 days following the expiration date of the initial PHA's voucher term (including any extensions). (See below under "Initial Billing Deadline" for one exception to this policy.)

## **Preapproval Contact with the Receiving PHA**

Prior to approving a family's request to move under portability, the initial PHA must contact the receiving PHA via e-mail or other confirmed delivery method to determine whether the receiving PHA will administer or absorb the family's voucher. Based on the receiving PHA's response, the initial PHA must determine whether it will approve or deny the move [Notice PIH 2012-42].

### PHA Policy

The PHA will use e-mail, when possible, to contact the receiving PHA regarding whether the receiving PHA will administer or absorb the family's voucher.

## **Initial Notification to the Receiving PHA**

After approving a family's request to move under portability, the initial PHA must promptly notify the receiving PHA via email or other confirmed delivery method to expect the family [24 CFR 982.355(c)(3); 24 CFR 982.355(c)(7)]. The initial PHA must also advise the family how to contact and request assistance from the receiving PHA [24 CFR 982.355(c)(6)].

### PHA Policy

Because the portability process is time-sensitive, the PHA will notify the receiving PHA by phone, fax, or e-mail to expect the family. The initial PHA will also ask the receiving PHA to provide any information the family may need upon arrival, including the name, fax, e-mail address, and telephone number of the staff person responsible for business with incoming portable families and procedures related to appointments for voucher issuance. The PHA will pass this information along to the family. The PHA will also ask for the name, address, telephone number, fax and e-mail of the person responsible for processing the billing information.

## **Sending Documentation to the Receiving PHA**

The initial PHA is required to send the receiving PHA the following documents:

- Form HUD-52665, Family Portability Information, with Part I filled out [Notice PIH 2012-42]
- A copy of the family's voucher [Notice PIH 2012-42]
- A copy of the family's most recent form HUD-50058, Family Report, or, if necessary in the case of an applicant family, family and income information in a format similar to that of form HUD-50058 [24 CFR 982.355(c)(7), Notice PIH 2012-42]
- Copies of the income verifications backing up the form HUD-50058, including a copy of the family's current EIV data [24 CFR 982.355(c)(7), Notice PIH 2012-42]

### PHA Policy

In addition to these documents, the PHA will provide the following information, if available, to the receiving PHA:

Social security numbers (SSNs)

Documentation of SSNs for all nonexempt household members whose SSNs have not been verified through the EIV system

Documentation of legal identity

Documentation of citizenship or eligible immigration status

Documentation of participation in the earned income disallowance (EID) benefit

Documentation of participation in a family self-sufficiency (FSS) program

The PHA will notify the family in writing regarding any information provided to the receiving PHA [HCV GB, p. 13-3].

### **Initial Billing Deadline [Notice PIH 2012-42, Letter to Executive Directors, 9/15/15]**

The deadline for submission of initial billing is 90 days following the expiration date of the voucher issued to the family by the initial PHA. If the initial PHA does not receive a billing notice by the deadline and does not intend to honor a late billing submission, it must contact the receiving PHA to determine the status of the family. If the receiving PHA reports that the family is not yet under HAP contract, the initial PHA may refuse to accept a late billing submission. If the receiving PHA reports that the family is under HAP contract and the receiving PHA cannot absorb the family, the initial PHA must accept a late billing submission; however, it may report to HUD the receiving PHA's failure to comply with the deadline.

#### PHA Policy

If the PHA has not received an initial billing notice from the receiving PHA within 90 days of expiration of the IHA's voucher, it will contact the receiving PHA by phone, fax, or e-mail on the next business day. If the PHA reports that the family is not yet under HAP contract, the PHA will inform the receiving PHA that it will not honor a late billing submission and will return any subsequent billings that it receives on behalf of the family. The PHA will send the receiving PHA a written confirmation of its decision by mail.

The PHA will allow an exception to this policy if the family includes a person with disabilities and the late billing is a result of a reasonable accommodation granted to the family by the receiving PHA.

### **Monthly Billing Payments [24 CFR 982.355(e), Notice PIH 2012-42]**

If the receiving PHA is administering the family's voucher, the receiving PHA bills the initial PHA for housing assistance payments and administrative fees. When reimbursing for administrative fees, the initial PHA must promptly reimburse the receiving PHA for the lesser of 80 percent of the initial PHA ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under contract on the first day of the month for which the receiving PHA is billing the initial PHA under portability. If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill [24 CFR 982.355(e)(2)].

The initial PHA is responsible for making billing payments in a timely manner. The first billing amount is due within 30 calendar days after the initial PHA receives Part II of form HUD-52665 from the receiving PHA. Subsequent payments must be **received** by the receiving PHA no later than the fifth business day of each month. The payments must be provided in a form and manner that the receiving PHA is able and willing to accept.

The initial PHA may not terminate or delay making payments under existing portability billing arrangements as a result of overleasing or funding shortfalls. The PHA must manage its tenant-based program in a manner that ensures that it has the financial ability to provide assistance for families that move out of its jurisdiction under portability and are not absorbed by receiving PHAs as well as for families that remain within its jurisdiction.

#### PHA Policy

The initial PHA will utilize direct deposit to ensure that the payment is received by the deadline unless the receiving PHA notifies the initial PHA that direct deposit is not acceptable to them.

### **Annual Updates of Form HUD-50058**

If the initial PHA is being billed on behalf of a portable family, it should receive an updated form HUD-50058 each year from the receiving PHA. If the initial PHA fails to receive an updated 50058 by the family's annual reexamination date, the initial PHA should contact the receiving PHA to verify the status of the family.

### **Denial or Termination of Assistance [24 CFR 982.355(c)(17)]**

At any time, either the initial PHA or the receiving PHA may make a determination to deny or terminate assistance with the family in accordance with 24 CFR 982.552 and 24 CFR 982.553. (For PHA policies on denial and termination, see Chapters 3 and 12, respectively.)

## **10-II.C. RECEIVING PHA ROLE**

If a family has a right to lease a unit in the receiving PHA's jurisdiction under portability, the receiving PHA must provide assistance for the family [24 CFR 982.355(10)]. HUD may determine in certain instances that a PHA is not required to accept incoming portable families, such as a PHA in a declared disaster area. However, the PHA must have approval in writing from HUD before refusing any incoming portable families [24 CFR 982.355(b)].

Administration of the voucher must be in accordance with the receiving PHA's policies. This requirement also applies to policies of Moving to Work agencies. The receiving PHA procedures and preferences for selection among eligible applicants do not apply to the family, and the receiving PHA waiting list is not used [24 CFR 982.355(c)(10)]. The family's unit, or voucher, size is determined in accordance with the subsidy standards of the receiving PHA [24 CFR 982.355(c)(12)], and the receiving PHA's policies on extensions of the voucher term apply [24 CFR 982.355(c)(14)].

### **Responding to Initial PHA's Request [24 CFR 982.355(c)]**

The receiving PHA must respond via e-mail or other confirmed delivery method to the initial PHA's inquiry to determine whether the family's voucher will be billed or absorbed [24 CFR 982.355(c)(3)]. If the receiving PHA informs the initial PHA that it will be absorbing the voucher, the receiving PHA cannot reverse its decision at a later date without consent of the initial PHA (24 CFR 982.355(c)(4)).

#### PHA Policy

The PHA will use e-mail, when possible, to notify the initial PHA whether it will administer or absorb the family's voucher.

### **Initial Contact with Family**

When a family moves into the PHA's jurisdiction under portability, the family is responsible for promptly contacting the PHA and complying with the PHA's procedures for incoming portable families. The family's failure to comply may result in denial or termination of the receiving PHA's voucher [24 CFR 982.355(c)(8)].

If the voucher issued to the family by the initial PHA has expired, the receiving PHA must contact the initial PHA to determine if it will extend the voucher [24 CFR 982.355(c)(13)].

If for any reason the receiving PHA refuses to process or provide assistance to a family under the portability procedures, the family must be given the opportunity for an informal review or hearing [Notice PIH 2012-42]. (For more on this topic, see later under "Denial or Termination of Assistance.")

## **Briefing**

HUD allows the receiving PHA to require a briefing for an incoming portable family as long as the requirement does not unduly delay the family's search [Notice PIH 2012-42].

### PHA Policy

The PHA will require the family to be briefed. The PHA will provide the family with a briefing packet (as described in Chapter 5) and, in a group briefing, will orally inform the family about the PHA's payment and subsidy standards, procedures for requesting approval of a unit, the unit inspection process, and the leasing process. If the family is unable to attend a group briefing, the PHA will send the briefing packet and briefing DVD for the family to watch and follow up with a phone Q&A session to answer any questions.

## **Income Eligibility and Reexamination**

The receiving PHA does not redetermine eligibility for a portable family that was already receiving assistance in the initial PHA's voucher program [24 CFR 982.355(c)(9)]. If the receiving PHA opts to conduct a new reexamination for a current participant family, the receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit [24 CFR 982.355(c)(11)].

### PHA Policy

The PHA will rely upon the income information provided by the initial PHA and will not conduct a new reexamination of income and composition for incoming portable families.

## **Voucher Issuance**

When a family moves into its jurisdiction under portability, the receiving PHA is required to issue the family a voucher [24 CFR 982.355(c)(13)]. The family must submit a request for tenancy approval to the receiving PHA during the term of the receiving PHA's voucher [24 CFR 982.355(c)(15)].

### ***Timing of Voucher Issuance***

HUD expects the receiving PHA to issue the voucher within two weeks after receiving the family's paperwork from the initial PHA if the information is in order, the family has contacted the receiving PHA, and the family complies with the receiving PHA's procedures [Notice PIH 2012-42].

#### PHA Policy

When a family ports into its jurisdiction, the PHA will issue the family a voucher based on the paperwork provided by the initial PHA unless the family's paperwork from the initial PHA is incomplete, the family's voucher from the initial PHA has expired or the family does not comply with the PHA's procedures. The PHA will update the family's information when verification has been completed (complete interim after lease up, if applicable).

### ***Voucher Term***

The term of the receiving PHA's voucher may not expire before 30 calendar days from the expiration of the initial PHA's voucher [24 CFR 982.355(c)(13)].

#### PHA Policy

The receiving PHA's voucher will expire 30 calendar days from the expiration date of the initial PHA's voucher.

### ***Voucher Extensions [24 CFR 982.355(c)(14), Notice 2012-42]***

Once the receiving PHA issues the portable family a voucher, the receiving PHA's policies on extensions of the voucher term apply. The receiving PHA must inform the initial PHA of any extension granted to the term of the voucher. It must also bear in mind the billing deadline provided by the initial PHA. Unless willing and able to absorb the family, the receiving PHA should ensure that any voucher expiration date would leave sufficient time to process a request for tenancy approval, execute a HAP contract, and deliver the initial billing to the initial PHA.

#### PHA Policy

The PHA generally will not extend the term of the voucher that it issues to an incoming portable family unless the PHA plans to absorb the family into its own program, in which case it will follow the policies on voucher extension set forth in section 5-II.E.

The PHA will consider an exception to this policy as a reasonable accommodation to a person with disabilities (see Chapter 2).

### ***Voucher Suspensions [24 CFR 982.303, 24 CFR 982.355(c)(15)]***

If the family submits a request for tenancy approval during the term of the receiving PHA's voucher, the PHA must suspend the term of that voucher. The term of the voucher stops from the date that the family submits a request for PHA approval of the tenancy until the date the PHA notifies the family in writing whether the request has been approved or denied [24 CFR 982.4(b)] (see Section 5-II.E).

### **Notifying the Initial PHA**

The receiving PHA must promptly notify the initial PHA if the family has leased an eligible unit under the program or if the family fails to submit a request for tenancy approval for an eligible unit within the term of the receiving PHA's voucher [24 CFR 982.355(c)(16)]. The receiving PHA is required to use Part II of form HUD-52665, Family Portability Information, for this purpose [Notice PIH 2012-42]. (For more on this topic and the deadline for notification, see below under "Administering a Portable Family's Voucher.")

If an incoming portable family ultimately decides not to lease in the jurisdiction of the receiving PHA but instead wishes to return to the initial PHA's jurisdiction or to search in another jurisdiction, the receiving PHA must refer the family back to the initial PHA. In such a case the voucher of record for the family is once again the voucher originally issued by the initial PHA. Any extension of search time provided by the receiving PHA's voucher is only valid for the family's search in the receiving PHA's jurisdiction [Notice PIH 2012-42].

### **Administering a Portable Family's Voucher**

#### ***Portability Billing [24 CFR 982.355(e)]***

To cover assistance for a portable family that was not absorbed, the receiving PHA bills the initial PHA for housing assistance payments and administrative fees. The amount of the housing assistance payment for a portable family in the receiving PHA's program is determined in the same manner as for other families in the receiving PHA's program.

The receiving PHA may bill the initial PHA for the lesser of 80 percent of the initial PHA's ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee for each program unit under contract on the first day of the month for which the receiving PHA is billing the initial PHA under portability. If the administrative fees are prorated for the HCV program, the proration will apply to the amount of the administrative fee for which the receiving PHA may bill (i.e., the receiving PHA may bill for the lesser of 80 percent of the initial PHA's prorated ongoing administrative fee or 100 percent of the receiving PHA's ongoing administrative fee).

If both PHAs agree, the PHAs may negotiate a different amount of reimbursement.

#### **PHA Policy**

Unless the PHA negotiates a different amount of reimbursement with the initial PHA, the PHA will bill the initial PHA the maximum amount of administrative fees allowed, ensuring any administrative fee proration has been properly applied.

### ***Initial Billing Deadline***

If a portable family's search for a unit is successful and the receiving PHA intends to administer the family's voucher, the receiving PHA must submit its initial billing notice (Part II of form HUD-52665) (a) no later than 10 business days following the date the receiving PHA **executes** a HAP contract on behalf of the family **and** (b) in time that the notice will be **received** no later than 60 days following the expiration date of the family's voucher issued by the initial PHA [Notice PIH 2012-42]. A copy of the family's form HUD-50058, Family Report, completed by the receiving PHA must be attached to the initial billing notice. The receiving PHA may send these documents by mail, fax, or e-mail.

#### PHA Policy

The PHA will send its initial billing notice by fax or e-mail, if necessary, to meet the billing deadline but will also send the notice by regular mail.

If the receiving PHA fails to send the initial billing within 10 business days following the date the HAP contract is executed, it is required to absorb the family into its own program unless (a) the initial PHA is willing to accept the late submission or (b) HUD requires the initial PHA to honor the late submission (e.g., because the receiving PHA is overleased) [Notice PIH 2012-42].

### ***Ongoing Notification Responsibilities [Notice PIH 2012-42, HUD-52665]***

**Annual Reexamination.** The receiving PHA must send the initial PHA a copy of a portable family's updated form HUD-50058 after each annual reexamination for the duration of time the receiving PHA is billing the initial PHA on behalf of the family, regardless of whether there is a change in the billing amount.

#### PHA Policy

The PHA will send a copy of the updated HUD-50058 by regular mail at the same time the family and owner are notified of the reexamination results.

**Change in Billing Amount.** The receiving PHA is required to notify the initial PHA, using form HUD-52665, of any change in the billing amount for the family as a result of:

- A change in the HAP amount (because of a reexamination, a change in the applicable payment standard, a move to another unit, etc.)
- An abatement or subsequent resumption of the HAP payments
- Termination of the HAP contract
- Payment of a damage/vacancy loss claim for the family
- Termination of the family from the program

The timing of the notice of the change in the billing amount should correspond with the notification to the owner and the family in order to provide the initial PHA with advance notice of the change. Under no circumstances should the notification be later than 10 business days following the effective date of the change in the billing amount. If the receiving PHA fails to send Form HUD-52665 within 10 days of effective date of billing changes, the initial PHA is not responsible for any increase prior to notification.

***Late Payments [Notice PIH 2012-42]***

If the initial PHA fails to make a monthly payment for a portable family by the fifth business day of the month, the receiving PHA must promptly notify the initial PHA in writing of the deficiency. The notice must identify the family, the amount of the billing payment, the date the billing payment was due, and the date the billing payment was received (if it arrived late). The receiving PHA must send a copy of the notification to the Office of Public Housing (OPH) in the HUD area office with jurisdiction over the receiving PHA. If the initial PHA fails to correct the problem by the second month following the notification, the receiving PHA may request by memorandum to the director of the OPH with jurisdiction over the receiving PHA that HUD transfer the unit in question. A copy of the initial notification and any subsequent correspondence between the PHAs on the matter must be attached. The receiving PHA must send a copy of the memorandum to the initial PHA. If the OPH decides to grant the transfer, the billing arrangement on behalf of the family ceases with the transfer, but the initial PHA is still responsible for any outstanding payments due to the receiving PHA.

***Overpayments [Notice PIH 2012-42]***

In all cases where the receiving PHA has received billing payments for billing arrangements no longer in effect, the receiving PHA is responsible for returning the full amount of the overpayment (including the portion provided for administrative fees) to the initial PHA.

In the event that HUD determines billing payments have continued for at least three months because the receiving PHA failed to notify the initial PHA that the billing arrangement was terminated, the receiving PHA must take the following steps:

- Return the full amount of the overpayment, including the portion provided for administrative fees, to the initial PHA.
- Once full payment has been returned, notify the Office of Public Housing in the HUD area office with jurisdiction over the receiving PHA of the date and the amount of reimbursement to the initial PHA.

At HUD's discretion, the receiving PHA will be subject to the sanctions spelled out in Notice PIH 2012-42.

### ***Denial or Termination of Assistance***

At any time, the receiving PHA may make a determination to deny or terminate assistance to a portable family for family action or inaction [24 CFR 982.355(c)(17)].

In the case of a termination, the PHA should provide adequate notice of the effective date to the initial PHA to avoid having to return a payment. In no event should the receiving PHA fail to notify the initial PHA later than 10 business days following the effective date of the termination of the billing arrangement [HUD-52665; Notice PIH 2012-42].

#### **PHA Policy**

If the PHA elects to deny or terminate assistance for a portable family, the PHA will notify the initial PHA within 14 calendar days after the informal review or hearing if the denial or termination is upheld. The PHA will base its denial or termination decision on the policies set forth in Chapter 3 or Chapter 12, respectively. The informal review or hearing will be held in accordance with the policies in Chapter 16. The receiving PHA will furnish the initial PHA with a copy of the review or hearing decision.

### **Absorbing a Portable Family**

The receiving PHA may absorb an incoming portable family into its own program when the PHA executes a HAP contract on behalf of the family or at any time thereafter providing that the PHA has funding available under its annual contributions contract (ACC) [24 CFR 982.355(d)(1), Notice PIH 2012-42].

If the receiving PHA absorbs a family from the point of admission, the admission will be counted against the income targeting obligation of the receiving PHA [24 CFR 982.201(b)(2)(vii)].

If the receiving PHA absorbs a family after providing assistance for the family under a billing arrangement with the initial PHA, HUD encourages the receiving PHA to provide adequate advance notice to the initial PHA to avoid having to return an overpayment. The receiving PHA must specify the effective date of the absorption of the family [Notice PIH 2012-42].

#### **PHA Policy**

If the PHA decides to absorb a portable family upon the execution of a HAP contract on behalf of the family, the PHA will notify the initial PHA by the initial billing deadline specified on form HUD-52665. The effective date of the HAP contract will be the effective date of the absorption.

If the PHA decides to absorb a family after that, it will provide the initial PHA with 30 days' advance notice.

Following the absorption of an incoming portable family, the family is assisted with funds available under the consolidated ACC for the receiving PHA's voucher program [24 CFR 982.355(d)], and the receiving PHA becomes the initial PHA in any subsequent moves by the family under portability [24 CFR 982.355(e)(4)].



## Chapter 11

### REEXAMINATIONS

#### INTRODUCTION

The PHA is required to reexamine each family's income and composition at least annually, and to adjust the family's level of assistance accordingly. Interim reexaminations are also needed in certain situations. This chapter discusses both annual and interim reexaminations, and the recalculation of family share and subsidy that occurs as a result. HUD regulations and PHA policies concerning reexaminations are presented in three parts:

Part I: Annual Reexaminations. This part discusses the process for conducting annual reexaminations.

Part II: Interim Reexaminations. This part details the requirements for families to report changes in family income and composition between annual reexaminations.

Part III: Recalculating Family Share and Subsidy Amount. This part discusses the recalculation of family share and subsidy amounts based on the results of annual and interim reexaminations.

Policies governing reasonable accommodation, family privacy, required family cooperation, and program abuse, as described elsewhere in this plan, apply to both annual and interim reexaminations.

## **PART I: ANNUAL REEXAMINATIONS [24 CFR 982.516]**

### **11-I.A. OVERVIEW**

The PHA must conduct a reexamination of family income and composition at least annually. This includes gathering and verifying current information about family composition, income, and expenses. Based on this updated information, the family's income and rent must be recalculated. This part discusses the schedule for annual reexaminations, the information to be collected and verified, and annual reexamination effective dates.

### **11-I.B STREAMLINED ANNUAL REEXAMINATIONS [24 CFR 982.516(b)]**

HUD permits PHAs to streamline the income determination process for family members with fixed sources of income. While third-party verification of all income sources must be obtained during the intake process and every three years thereafter, in the intervening years the PHA may determine income from fixed sources by applying a verified cost of living adjustment (COLA) or rate of interest. The PHA may, however, obtain third-party verification of all income, regardless of the source. Further, upon request of the family, the PHA must perform third-party verification of all income sources.

Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

#### PHA Policy

The PHA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources. The PHA will document in the file how the determination that a source of income was fixed was made.

If a family member with a fixed source of income is added, the PHA will use third-party verification of all income amounts for that family member.

If verification of the COLA or rate of interest is not available, the PHA will obtain third-party verification of income amounts.

Third-party verification of fixed sources of income will be obtained during the intake process and at least once every three years thereafter.

## **11-I.C. SCHEDULING ANNUAL REEXAMINATIONS**

The PHA must establish a policy to ensure that the annual reexamination for each family is completed *within* a 12-month period, and may require reexaminations more frequently [HCV GB p. 12-1].

### PHA Policy

The PHA will begin the annual reexamination process 120 days in advance of its scheduled effective date. Generally, the PHA will schedule annual reexamination effective dates to coincide with the family's anniversary date.

*Anniversary date* is defined as 12 months from the effective date of the family's last annual reexamination or, during a family's first year in the program, from the effective date of the family's initial examination (admission).

If the family moves to a new unit, the PHA will perform a new annual reexamination.

The PHA also may schedule an annual reexamination for completion prior to the anniversary date for administrative purposes.

### **Notification of and Participation in the Annual Reexamination Process**

The PHA is required to obtain the information needed to conduct annual reexaminations. How that information will be collected is left to the discretion of the PHA. However, PHAs should give tenants who were not provided the opportunity the option to complete Form HUD-92006 at this time [Notice PIH 2009-36].

### PHA Policy

The PHA's procedure for conducting annual reexaminations will be through mail, unless the family requests an in-person interview. If participation in an in-person interview poses a hardship because of a family member's disability, the family should contact the PHA to request a reasonable accommodation (see Chapter 2).

Notification of annual reexamination due dates will be sent by first-class mail. In addition, it will inform the family of the information and documentation that must be provided to complete the annual reexamination process.

If the family is unable to provide the required documentation within the specified timeframe, the family should contact the PHA in advance of the due date to request an extension. If a family does not provide the required documentation and the PHA has sent two reminders by mail, fax, email, or telephone, then the PHA will send a notice of termination (see Chapter 12) to the family's address of record, and to any alternate address provided in the family's file.

An advocate, interpreter, or other assistant may assist the family in the reexamination process. The family and the PHA must execute a certification attesting to the role and the assistance provided by any such third party.

## **11-I.D. CONDUCTING ANNUAL REEXAMINATIONS**

As part of the annual reexamination process, families are required to provide updated information to the PHA regarding the family's income, expenses, and composition [24 CFR 982.551(b)].

### PHA Policy

Families will be asked to provide all required information (as described in the reexamination notice) to complete the reexamination process. The required information will include a PHA-designated reexamination form, an Authorization for the Release of Information/Privacy Act Notice, as well as supporting documents or forms related to the family's income, assets, expenses, and family composition.

If the family is unable to obtain the information or materials within the required time frame, the family may request an extension.

If the family does not provide the required documents or information within the required time period (plus any extensions), the family will be sent a notice of termination (See Chapter 12).

Additionally, HUD recommends that at annual reexaminations PHAs ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state [Notice PIH 2012-28].

### PHA Policy

At the annual reexamination, the PHA will ask whether the tenant, or any member of the tenant's household, is subject to a lifetime sex offender registration requirement in any state. The PHA will use the Dru Sjodin National Sex Offender database to verify the information provided by the tenant.

If the PHA proposes to terminate assistance based on lifetime sex offender registration information, the PHA must notify the household of the proposed action and must provide the subject of the record and the tenant a copy of the record and an opportunity to dispute the accuracy and relevance of the information prior to termination. [24 CFR 5.903(f) and 5.905(d)]. (See Chapter 12.)

The information provided by the family generally must be verified in accordance with the policies in Chapter 7. Unless the family reports a change, or the PHA has reason to believe a change has occurred in information previously reported by the family, certain types of information that are verified at admission typically do not need to be re-verified on an annual basis. These include:

- Legal identity
- Age
- Social security numbers
- A person's disability status
- Citizenship or immigration status

If adding a new family member to the unit causes overcrowding according to the housing quality standards (HQS) (see Chapter 8), the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the HAP contract in accordance with its terms [24 CFR 982.403].

## **11-I.E. DETERMINING ONGOING ELIGIBILITY OF CERTAIN STUDENTS [24 CFR 982.552(b)(5)]**

Section 327 of Public Law 109-115 established new restrictions on the ongoing eligibility of certain students (both part- and full-time) who are enrolled in institutions of higher education.

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

Students who reside with parents in an HCV assisted unit are not subject to this provision. It is limited to students who are receiving assistance on their own, separately from their parents.

### PHA Policy

During the annual reexamination process, the PHA will determine the ongoing eligibility of each student who is subject to the eligibility restrictions in 24 CFR 5.612 by reviewing the student's individual income as well as the income of the student's parents. If the student has been determined "independent" from his/her parents based on the policies in Sections 3-II.E and 7-II.E, the parents' income will not be reviewed.

If the student is no longer income eligible based on his/her own income or the income of his/her parents, the student's assistance will be terminated in accordance with the policies in Section 12-I.D.

If the student continues to be income eligible based on his/her own income and the income of his/her parents (if applicable), the PHA will process a reexamination in accordance with the policies in this chapter.

## 11-I.F. EFFECTIVE DATES

The PHA must establish policies concerning the effective date of changes that result from an annual reexamination [24 CFR 982.516].

### PHA Policy

In general, an *increase* in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date, and the family will be notified at least 30 days in advance.

If less than 30 days remain before the scheduled effective date, the increase will take effect on the first of the month following the end of the 30-day notice period.

If a family moves to a new unit, the increase will take effect on the effective date of the new lease and HAP contract, and no 30-day notice is required.

If the PHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the PHA, but will always allow for the 30-day notice period.

If the family causes a delay in processing the annual reexamination, *increases* in the family share of the rent will be applied retroactively, to the scheduled effective date of the annual reexamination. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.

In general, a *decrease* in the family share of the rent that results from an annual reexamination will take effect on the family's anniversary date.

If a family moves to a new unit, the decrease will take effect on the effective date of the new lease and HAP contract.

If the PHA chooses to schedule an annual reexamination for completion prior to the family's anniversary date for administrative purposes, the effective date will be determined by the PHA.

If the family causes a delay in processing the annual reexamination, *decreases* in the family share of the rent will be applied prospectively, from the first day of the month following completion of the reexamination processing.

Delays in reexamination processing are considered to be caused by the family if the family fails to provide information requested by the PHA by the date specified, and this delay prevents the PHA from completing the reexamination as scheduled.

## **PART II: INTERIM REEXAMINATIONS [24 CFR 982.516]**

### **11-II.A. OVERVIEW**

Family circumstances may change between annual reexaminations. HUD and PHA policies dictate what kinds of information about changes in family circumstances must be reported, and under what circumstances the PHA must process interim reexaminations to reflect those changes. HUD regulations also permit the PHA to conduct interim reexaminations of income or family composition at any time. When an interim reexamination is conducted, only those factors that have changed are verified and adjusted [HCV GB, p. 12-10].

In addition to specifying what information the family must report, HUD regulations permit the family to request an interim determination if other aspects of the family's income or composition changes. The PHA must complete the interim reexamination within a reasonable time after the family's request.

This part includes HUD and PHA policies describing what changes families are required to report, what changes families may choose to report, and how the PHA will process both PHA- and family-initiated interim reexaminations.

### **11-II.B. CHANGES IN FAMILY AND HOUSEHOLD COMPOSITION**

The family is required to report all changes in family composition. The PHA must adopt policies prescribing when and under what conditions the family must report changes in income and family composition. However, due to family obligations under the program, the PHA has limited discretion in this area.

#### PHA Policy

The PHA will not conduct a reexamination of income when a new family member is added. However, the PHA will verify all other aspects of program eligibility, such as criminal background, sex offender registry, debts owed, etc., when the family requests to add a new member.

However, if the new member is under the age of 6, an interim reexamination will be conducted so that the family member may be counted as part of the assisted household and given the dependent deduction.

#### **New Family Members Not Requiring PHA Approval**

The addition of a family member as a result of birth, adoption, or court-awarded custody does not require PHA approval. However, the family is required to promptly notify the PHA of the addition [24 CFR 982.551(h)(2)].

#### PHA Policy

The family must inform the PHA of the birth, adoption, or court-awarded custody of a child within 14 business days.

## **New Family and Household Members Requiring Approval**

With the exception of children who join the family as a result of birth, adoption, or court-awarded custody, a family must request PHA approval to add a new family member [24 CFR 982.551(h)(2)] or other household member (live-in aide or foster child) [24 CFR 982.551(h)(4)].

When any new family member is added, the PHA must make appropriate adjustments in the family share of the rent and the HAP payment at the effective date of either the annual or interim reexamination [24 CFR 982.516(e)(2)].

If a change in family size causes a violation of Housing Quality Standards (HQS) space standards (see Chapter 8), the PHA must issue the family a new voucher, and the family and PHA must try to find an acceptable unit as soon as possible. If an acceptable unit is available for rental by the family, the PHA must terminate the family's HAP contract in accordance with its terms [24 CFR 982.403].

### PHA Policy

Families must request PHA approval to add a new family member, live-in aide, foster child, or foster adult. This includes any person not on the lease who is expected to stay in the unit for more than 14 consecutive days or 30 cumulative days within a 12-month period and therefore no longer qualifies as a "guest." Requests must be made in writing and approved by the PHA prior to the individual moving into the unit.

The PHA will not approve the addition of a new family or household member unless the individual meets the PHA's eligibility criteria (see Chapter 3) and documentation requirements (see Chapter 7, Part II).

The PHA will not approve the addition of a foster child or foster adult if it will cause a violation of HQS space standards.

If the PHA determines an individual meets the PHA's eligibility criteria and documentation requirements, the PHA will provide written approval to the family. If the approval of a new family member or live-in aide will cause overcrowding according to HQS standards, the approval letter will explain that the family will be issued a voucher and will be required to move.

If the PHA determines that an individual does not meet the PHA's eligibility criteria or documentation requirements, the PHA will notify the family in writing of its decision to deny approval of the new family or household member and the reasons for the denial.

The PHA will make its determination within 14 business days of receiving all information required to verify the individual's eligibility.

## **Departure of a Family or Household Member**

Families must promptly notify the PHA if any family member no longer lives in the unit [24 CFR 982.551(h)(3)]. Because household members are considered when determining the family unit (voucher) size [24 CFR 982.402], the PHA also needs to know when any live-in aide, foster child, or foster adult ceases to reside in the unit.

### PHA Policy

If a household member ceases to reside in the unit, the family must inform the PHA within 14 business days. This requirement also applies to a family member who has been considered temporarily absent at the point that the family concludes the individual is permanently absent.

If a live-in aide, foster child, or foster adult ceases to reside in the unit, the family must inform the PHA within 14 business days.

## **11-II.C. CHANGES AFFECTING INCOME OR EXPENSES**

Interim reexaminations can be scheduled either because the PHA has reason to believe that changes in income or expenses may have occurred, or because the family reports a change. When a family reports a change, the PHA may take different actions depending on whether the family reported the change voluntarily, or because it was required to do so.

### **PHA-Initiated Interim Reexaminations**

PHA-initiated interim reexaminations are those that are scheduled based on circumstances or criteria defined by the PHA. They are not scheduled because of changes reported by the family.

#### PHA Policy

The PHA will conduct interim reexaminations in each of the following instances:

For families receiving the Earned Income Disallowance (EID), the PHA will conduct an interim reexamination at the start and conclusion of the 24-month eligibility period.

If the family has reported zero income, the PHA will conduct an interim reexamination every 3 months as long as the family continues to report that they have no income.

If at the time of the annual reexamination, tenant declarations were used on a provisional basis due to the lack of third-party verification, and third-party verification becomes available, the PHA will conduct an interim reexamination.

The PHA may conduct an interim reexamination at any time in order to correct an error in a previous reexamination, or to investigate a tenant fraud complaint.

## **Family-Initiated Interim Reexaminations**

The PHA must adopt policies prescribing when and under what conditions the family must report changes in family income or expenses [24 CFR 982.516(c)]. In addition, HUD regulations require that the family be permitted to obtain an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)].

### ***Required Reporting***

HUD regulations give the PHA the freedom to determine the circumstances under which families will be required to report changes affecting income.

#### PHA Policy

Families are required to report all increases in earned income, including new employment, within 14 business days of the date the change takes effect.

The PHA will only conduct interim reexaminations for families that qualify for the earned income disallowance (EID), and only when the EID family's share of rent will change as a result of the increase. In all other cases, the PHA will note the information in the tenant file, but will not conduct an interim reexamination.

Families are not required to report any other changes in income or expenses.

### ***Optional Reporting***

The family may request an interim reexamination any time the family has experienced a change in circumstances since the last determination [24 CFR 982.516(b)(2)]. The PHA must process the request if the family reports a change that will result in a reduced family income [HCV GB, p. 12-9].

If a family reports a decrease in income from the loss of welfare benefits due to fraud or non-compliance with a welfare agency requirement to participate in an economic self-sufficiency program, the family's share of the rent will not be reduced [24 CFR 5.615]. For more information regarding the requirement to impute welfare income see Chapter 6.

#### PHA Policy

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

If a family reports a change that it was not required to report and that would result in a decrease in the family share of rent, the PHA will conduct an interim reexamination. See Section 11-II.D. for effective dates.

Families may report changes in income or expenses at any time.

## 11-II.D. PROCESSING THE INTERIM REEXAMINATION

### Method of Reporting

#### PHA Policy

The family may notify the PHA of changes either orally or in writing. If the family provides oral notice, the PHA may also require the family to submit the changes in writing.

Generally, the family will not be required to attend an interview for an interim reexamination. However, if the PHA determines that an interview is warranted, the family may be required to attend.

Based on the type of change reported, the PHA will determine the documentation the family will be required to submit. The family must submit any required information or documents within 14 business days of receiving a request from the PHA. This time frame may be extended for good cause with PHA approval. The PHA will accept required documentation by mail, by fax, or in person.

### Effective Dates

The PHA must establish the time frames in which any changes that result from an interim reexamination will take effect [24 CFR 982.516(d)]. The changes may be applied either retroactively or prospectively, depending on whether there is to be an increase or a decrease in the family share of the rent, and whether the family reported any required information within the required time frames [HCV GB, p. 12-10].

#### PHA Policy

If the family share of the rent is to *increase*:

The increase generally will be effective on the first of the month following 30 days' notice to the family.

If a family fails to report a change within the required time frames, or fails to provide all required information within the required time frames, the increase will be applied retroactively, to the date it would have been effective had the information been provided on a timely basis. The family will be responsible for any overpaid subsidy and may be offered a repayment agreement in accordance with the policies in Chapter 16.

If the family share of the rent is to *decrease*:

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

For example, an interim decrease is reported and all required documentation is provided to the PHA on April 30<sup>th</sup>, but the PHA was not able to verify the changes until May 15<sup>th</sup>, the interim change will be made retroactive to May 1<sup>st</sup>.



## **PART III: RECALCULATING FAMILY SHARE AND SUBSIDY AMOUNT**

### **11-III.A. OVERVIEW**

After gathering and verifying required information for an annual or interim reexamination, the PHA must recalculate the family share of the rent and the subsidy amount, and notify the family and owner of the changes [24 CFR 982.516(d)(2), HCV 12-6 and 12-10]. While the basic policies that govern these calculations are provided in Chapter 6, this part lays out policies that affect these calculations during a reexamination.

### **11-III.B. CHANGES IN PAYMENT STANDARDS AND UTILITY ALLOWANCES**

In order to calculate the family share of the rent and HAP amount correctly, changes in payment standards, subsidy standards, or utility allowances may need to be updated and included in the PHA's calculations.

Specific policies governing how subsidy standards, payment standards, and utility allowances are applied are discussed below.

#### **Payment Standards [24 CFR 982.505]**

The family share of the rent and HAP calculations must use the correct payment standard for the family, taking into consideration the family unit size, the size of unit, and the area in which the unit is located [HCV GB, p. 12-5]. See Chapter 6 for information on how to select the appropriate payment standard.

When the PHA changes its payment standards or the family's situation changes, new payment standards are applied at the following times:

- If the PHA's payment standard amount changes during the term of the HAP contract, the date on which the new standard is applied depends on whether the standard has increased or decreased:
  - If the payment standard amount has *increased*, the increased payment standard will be applied at the *first annual* reexamination following the effective date of the increase in the payment standard.
  - If the payment standard amount has *decreased*, the decreased payment standard will be applied at the *second annual* reexamination following the effective date of the decrease in the payment standard.
- If the family moves to a new unit, or a new HAP contract is executed due to changes in the lease (even if the family remains in place) the current payment standard applicable to the family will be used when the new HAP contract is processed.

### **Subsidy Standards [24 CFR 982.505(c)(4)]**

If there is a change in the family unit size that would apply to a family during the HAP contract term, either due to a change in family composition, or a change in the PHA's subsidy standards (see Chapter 5), the new family unit size must be used to determine the payment standard amount for the family at the family's *first annual* reexamination following the change in family unit size.

### **Utility Allowances [24 CFR 982.517(d)]**

The family share of the rent and HAP calculations must reflect any changes in the family's utility arrangement with the owner, or in the PHA's utility allowance schedule [HCV GB, p. 12-5]. Chapter 16 discusses how utility allowance schedules are established.

When there are changes in the utility arrangement with the owner, the PHA must use the utility allowances in effect at the time the new lease and HAP contract are executed.

At reexamination, the PHA must use the PHA current utility allowance schedule [24 CFR 982.517(d)(2)].

#### PHA Policy

Revised utility allowances will be applied to a family's rent and subsidy calculations at the first annual reexamination after the allowance is adopted.

### **11-III.C. NOTIFICATION OF NEW FAMILY SHARE AND HAP AMOUNT**

The PHA must notify the owner and family of any changes in the amount of the HAP payment [HUD-52641, HAP Contract]. The notice must include the following information [HCV GB, p. 12-6]:

- The amount and effective date of the new HAP payment
- The amount and effective date of the new family share of the rent
- The amount and effective date of the new tenant rent to owner

The family must be given an opportunity for an informal hearing regarding the PHA's determination of their annual or adjusted income, and the use of such income to compute the housing assistance payment [24 CFR 982.555(a)(1)(i)] (see Chapter 16).

#### PHA Policy

The notice to the family will include the annual and adjusted income amounts that were used to calculate the family share of the rent and the housing assistance payment. The notice also will state the procedures for requesting an informal hearing.

### **11-III.D. DISCREPANCIES**

During an annual or interim reexamination, the PHA may discover that information previously reported by the family was in error, or that the family intentionally misrepresented information. In addition, the PHA may discover errors made by the PHA. When errors resulting in the overpayment or underpayment of subsidy are discovered, corrections will be made in accordance with the policies in Chapter 13.

## Chapter 12

### TERMINATION OF ASSISTANCE AND TENANCY

HUD regulations specify mandatory and optional grounds for which a PHA can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. This chapter describes the policies that govern mandatory and optional terminations of assistance, and termination of tenancy by the owner. It is presented in three parts:

Part I: Grounds for Termination of Assistance. This part describes the various circumstances under which assistance under the program can be terminated by the family or by the PHA.

Part II: Approach to Termination of Assistance. This part describes the policies and the process that the PHA will use in evaluating decisions on whether to terminate assistance due to actions or inactions of the family where termination is an option. It specifies the alternatives that the PHA may consider in lieu of termination, the criteria the PHA will use when deciding what action to take, and the steps the PHA must take when terminating a family's assistance.

Part III: Termination of Tenancy by the Owner. This part describes the HUD policies that govern the owner's right to terminate an assisted tenancy.

## **PART I: GROUNDS FOR TERMINATION OF ASSISTANCE**

### **12-I.A. OVERVIEW**

HUD requires the PHA to terminate assistance for certain actions and inactions of the family and when the family no longer requires assistance due to increases in family income. HUD permits the PHA to terminate assistance for certain other actions or inactions of the family. In addition, a family may decide to withdraw from the program and terminate their HCV assistance at any time by notifying the PHA.

### **12-I.B. FAMILY NO LONGER REQUIRES ASSISTANCE [24 CFR 982.455]**

As a family's income increases, the amount of the housing assistance payment decreases. If the amount of assistance provided by the PHA is reduced to zero, the family's assistance terminates automatically 180 days after the last HAP payment.

#### PHA Policy

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

### **12-I.C. FAMILY CHOOSES TO TERMINATE ASSISTANCE**

The family may request that the PHA terminate housing assistance payments on behalf of the family at any time.

#### PHA Policy

The request to terminate assistance should be made in writing and signed by the head of household, and spouse or cohead if applicable. Before terminating the family's assistance, the PHA will follow the notice requirements in Section 12-II.F.

## **12-I.D. MANDATORY TERMINATION OF ASSISTANCE**

HUD requires the PHA to terminate assistance in the following circumstances.

### **Eviction [24 CFR 982.552(b)(2), 24 CFR 5.2005(c)(1)]**

The PHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. As discussed further in section 12-II.E, incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking may not be construed as serious or repeated violations of the lease by the victim or threatened victim of such violence or stalking.

#### PHA Policy

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

If a family moves after the owner has given the family an eviction notice for serious or repeated lease violations but before a legal eviction order has been issued, termination of assistance is not mandatory. In such cases the PHA will determine whether the family has committed serious or repeated violations of the lease based on available evidence and may terminate assistance or take any of the alternative measures described in section 12-II.C. In making its decision, the PHA will consider the factors described in sections 12-II.D and 12-II.E. Upon consideration of such factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

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

### **Failure to Provide Consent [24 CFR 982.552(b)(3)]**

The PHA must terminate assistance if any family member fails to sign and submit any consent form they are required to sign for a regular or interim reexamination. See Chapter 7 for a complete discussion of consent requirements.

### **Failure to Document Citizenship [24 CFR 982.552(b)(4) and [24 CFR 5.514(c)]**

The PHA must terminate assistance if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family; or (3) a family member, as determined by the PHA, has knowingly permitted another individual who is not eligible for assistance to reside (on a permanent basis) in the unit.

For (3) above, such termination must be for a period of at least 24 months. This does not apply to ineligible noncitizens already in the household where the family's assistance has been prorated. See Chapter 7 for a complete discussion of documentation requirements.

**Failure to Disclose and Document Social Security Numbers [24 CFR 5.218(c), Notice PIH 2012-10]**

The PHA must terminate assistance if a participant family fails to disclose the complete and accurate social security numbers of each household member and the documentation necessary to verify each social security number.

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

PHA Policy

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

**Methamphetamine Manufacture or Production [24 CFR 982.553(b)(1)(ii)]**

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

**Lifetime Registered Sex Offenders [Notice PIH 2012-28]**

Should a PHA discover that a member of an assisted household was subject to a lifetime registration requirement at admission and was erroneously admitted after June 25, 2001, the PHA must immediately terminate assistance for the household member.

In this situation, the PHA must offer the family the opportunity to remove the ineligible family member from the household. If the family is unwilling to remove that individual from the household, the PHA must terminate assistance for the household.

### **Failure of Students to Meet Ongoing Eligibility Requirements [24 CFR 982.552(b)(5) and FR 4/10/06]**

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

If a participant household consists of both eligible and ineligible students, the eligible students shall not be terminated, but 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 members elect to move out of the assisted unit.

### **Death of the Sole Family Member [24 CFR 982.311(d) and Notice PIH 2010-9]**

The PHA must immediately terminate program assistance for deceased single member households.

## **12-I.E. MANDATORY POLICIES AND OTHER AUTHORIZED TERMINATIONS**

### **Mandatory Policies [24 CFR 982.553(b) and 982.551(l)]**

HUD requires the PHA to establish policies that permit the PHA to terminate assistance if the PHA determines that:

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

## ***Use of Illegal Drugs and Alcohol Abuse***

### **PHA Policy**

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

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

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

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

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

### ***Drug-Related and Violent Criminal Activity [24 CFR 5.100]***

*Drug* means a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

*Drug-related criminal activity* is defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.

*Violent criminal activity* means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

### **PHA Policy**

The PHA will terminate a family's assistance if any household member has violated the family's obligation not to engage in any drug-related or violent criminal activity during participation in the HCV program.

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

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

## **Other Authorized Reasons for Termination of Assistance** **[24 CFR 982.552(c), 24 CFR 5.2005(c)]**

HUD permits the PHA to terminate assistance under a number of other circumstances. It is left to the discretion of the PHA whether such circumstances in general warrant consideration for the termination of assistance. As discussed further in section 12-II.E, the Violence against Women Act of 2013 explicitly prohibits PHAs from considering incidents of, or criminal activity directly related to, domestic violence, dating violence, sexual assault, or stalking as reasons for terminating the assistance of a victim of such abuse.

### PHA Policy

The PHA **will not** terminate a family's assistance because of the family's failure to meet its obligations under the Family Self-Sufficiency program.

The PHA **will** terminate a family's assistance if:

The family has failed to comply with any family obligations under the program. See Exhibit 12-1 for a listing of family obligations and related PHA policies.

Any family member has been evicted from federally-assisted housing in the last five years.

Any PHA has ever terminated assistance under the program for any member of the family.

Any family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.

The family currently owes rent or other amounts to any PHA in connection with Section 8 or public housing assistance under the 1937 Act.

The family has not reimbursed any PHA for amounts the PHA paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.

The family has breached the terms of a repayment agreement entered into with the PHA.

A family member has engaged in or threatened violent or abusive behavior toward PHA personnel.

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

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

In making its decision to terminate assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Sections 12-II.D and 12-II.E. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

### ***Family Absence from the Unit [24 CFR 982.312]***

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

#### **PHA Policy**

If the family is absent from the unit for more than 180 consecutive calendar days, the family's assistance will be terminated. Notice of termination will be sent in accordance with Section 12-II.F.

### ***Insufficient Funding [24 CFR 982.454]***

The PHA may terminate HAP contracts if the PHA determines, in accordance with HUD requirements, that funding under the consolidated ACC is insufficient to support continued assistance for families in the program.

#### **PHA Policy**

The PHA will determine whether there is sufficient funding to pay for currently assisted families according to the policies in Part VIII of Chapter 16. If the PHA determines there is a shortage of funding, prior to terminating any HAP contracts, the PHA will determine if any other actions can be taken to reduce program costs.

In the event that the PHA decides to stop issuing vouchers as a result of a funding shortfall, and the PHA is not assisting the required number of special purpose vouchers (NED families, HUD-Veterans Affairs Supportive Housing (VASH) families, and family unification program (FUP) families), when the PHA resumes issuing vouchers, the PHA will issue vouchers first to the special purpose voucher families on its waiting list until it has reached the required number of special purpose vouchers, when applicable.

If after implementing all reasonable cost cutting measures there is not enough funding available to provide continued assistance for current participants, the PHA will terminate HAP contracts as a last resort.

Prior to terminating any HAP contracts, the PHA will inform the local HUD field office. The PHA will terminate the minimum number needed in order to reduce HAP costs to a level within the PHA's annual budget authority.

If the PHA must terminate HAP contracts due to insufficient funding, the PHA will do so in accordance with the following criteria and instructions:

1. Non-elderly, non-disabled single member families.
2. Non-elderly, non-disabled families with no children under the age of 18.
3. Non-elderly, non disabled families with children under the age of 18.
4. Elderly and disabled families.
5. Families comprising the required number of special purpose vouchers, including nonelderly disabled (NED), HUD-Veteran's Affairs Supportive Housing (HUD-VASH), and family unification program (FUP) will be the last to be terminated.

## **PART II: APPROACH TO TERMINATION OF ASSISTANCE**

### **12-II.A. OVERVIEW**

The PHA is required by regulation to terminate a family's assistance for certain actions or inactions of the family. For other types of actions or inactions of the family, the regulations give the PHA the authority to either terminate the family's assistance or to take another action. This part discusses the various actions the PHA may choose to take when it has discretion, and outlines the criteria the PHA will use to make its decision about whether or not to terminate assistance. It also specifies the requirements for the notification to the family of the PHA's intent to terminate assistance.

### **12-II.B. METHOD OF TERMINATION [24 CFR 982.552(a)(3)]**

Termination of assistance for a participant may include any or all of the following:

- Terminating housing assistance payments under a current HAP contract,
- Refusing to enter into a new HAP contract or approve a lease, or
- Refusing to process a request for or to provide assistance under portability procedures.

### **12-II.C. ALTERNATIVES TO TERMINATION OF ASSISTANCE**

#### **Change in Household Composition**

As a condition of continued assistance, the PHA may require that any household member who participated in or was responsible for an offense no longer resides in the unit [24 CFR 982.552(c)(2)(ii)].

##### PHA Policy

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

#### **Repayment of Family Debts**

##### PHA Policy

If a family owes amounts to the PHA, as a condition of continued assistance, the PHA will require the family to repay the full amount or to enter into a repayment agreement, within 30 days of receiving notice from the PHA of the amount owed. See Chapter 16 for policies on repayment agreements.

## **12-II.D. CRITERIA FOR DECIDING TO TERMINATE ASSISTANCE**

### **Evidence**

For criminal activity, HUD permits the PHA to terminate assistance if a *preponderance of the evidence* indicates that a household member has engaged in the activity, regardless of whether the household member has been arrested or convicted [24 CFR 982.553(c)].

#### PHA Policy

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

*Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not.

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

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

The PHA is permitted, but not required, to consider all relevant circumstances when determining whether a family's assistance should be terminated.

#### PHA Policy

The PHA will consider the following factors when making its decision to terminate assistance:

The seriousness of the case, especially with respect to how it would affect other residents

The effects that termination of assistance may have on other members of the family who were not involved in the action or failure to act

The extent of participation or culpability of individual family members, including whether the culpable family member is a minor or a person with disabilities or (as discussed further in section 12-II.E) a victim of domestic violence, dating violence, sexual assault or stalking

The length of time since the violation occurred, the family's recent history and the likelihood of favorable conduct in the future

In the case of drug or alcohol abuse, whether the culpable household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program or has otherwise been rehabilitated successfully

The PHA will require the participant to submit evidence of the household member's current participation in or successful completion of a supervised drug or alcohol rehabilitation program, or evidence of otherwise having been rehabilitated successfully.

In the case of program abuse, the dollar amount of the overpaid assistance and whether or not a false certification was signed by the family

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

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

#### PHA Policy

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

## **12-II.E. TERMINATIONS RELATED TO DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT OR STALKING**

This section describes the protections against termination of assistance that the Violence against Women Act of 2013 (VAWA) provides for victims of domestic violence, dating violence, sexual assault and stalking. For general VAWA requirements, key VAWA definitions, and PHA policies pertaining to notification, documentation, and confidentiality, see section 16-IX of this plan.

### **VAWA Protections against Termination**

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

First, VAWA provides that a PHA may not terminate assistance to a family that moves out of an assisted unit in violation of the lease, with or without prior notification to the PHA, if the move occurred to protect the health or safety of a family member who is or has been the victim of domestic violence, dating violence, sexual assault or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the unit [24 CFR 982.354(b)(4)].

Second, it provides that an incident or incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking may not be construed either as a serious or repeated lease violation by the victim or as good cause to terminate the assistance of the victim [24 CFR 5.2005(c)(1)].

Third, it provides that criminal activity directly related to domestic violence, dating violence, sexual assault or stalking may not be construed as cause for terminating the assistance of a tenant if a member of the tenant's household, a guest, or another person under the tenant's control is the one engaging in the criminal activity and the tenant or affiliated individual or other individual is the actual or threatened victim of the domestic violence, dating violence, or stalking [24 CFR 5.2005(c)(2)].

Fourth, it gives PHAs the authority to terminate assistance to any tenant or lawful occupant who engages in criminal acts of physical violence against family members or others without terminating assistance to, or otherwise penalizing, the victim of the violence [24 CFR 5.2009(a)].

## **Limitations on VAWA Protections [24 CFR 5.2005(d) and (e)]**

VAWA does not limit the authority of a PHA to terminate the assistance of a victim of abuse for reasons unrelated to domestic violence, dating violence, sexual assault or stalking so long as the PHA does not subject the victim to a more demanding standard than it applies to other program participants [24 CFR 5.2005(d)(1)].

Likewise, VAWA does not limit the authority of a PHA to terminate the assistance of a victim of domestic violence, dating violence, sexual assault or stalking if the PHA can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the assisted property if the victim is not terminated from assistance [24 CFR 5.2005(d)(2)].

HUD regulations define *actual and imminent threat* to mean words, gestures, actions, or other indicators of a physical threat that (a) is real, (b) would occur within an immediate time frame, and (c) could result in death or serious bodily harm [24 CFR 5.2005(d)(2) and (e)]. In determining whether an individual would pose an actual and imminent threat, the factors to be considered include:

- The duration of the risk
- The nature and severity of the potential harm
- The likelihood that the potential harm will occur
- The length of time before the potential harm would occur [24 CFR 5.2005(e)]

Even when a victim poses an actual and imminent threat, however, HUD regulations authorize a PHA to terminate the victim's assistance "only when there are no other actions that could be taken to reduce or eliminate the threat" [24 CFR 5.2005(d)(3)].

### PHA Policy

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

Whether the threat is toward an employee or tenant other than the victim of domestic violence, dating violence, sexual assault or stalking

Whether the threat is a physical danger beyond a speculative threat

Whether the threat is likely to happen within a short period of time

Whether the threat to other tenants or employees can be eliminated in some other way, such as by helping the victim relocate to a confidential location or seeking a legal remedy to prevent the perpetrator from acting on the threat

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

## **Documentation of Abuse [24 CFR 5.2007]**

### PHA Policy

When an individual facing termination of assistance for reasons related to domestic violence, dating violence, sexual assault or stalking claims protection under VAWA, the PHA will request that the individual provide documentation supporting the claim in accordance with the policies in section 16-IX.D of this plan.

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

## **Terminating the Assistance of a Domestic Violence Perpetrator**

Although VAWA provides protection against termination of assistance for victims of domestic violence, it does not provide such protection for perpetrators. VAWA gives the PHA the explicit authority to "terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others" without terminating assistance to "or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant" [24 CFR 5.2009(a)]. This authority is not dependent on a bifurcated lease or other eviction action by an owner against an individual family member. Further, this authority supersedes any local, state, or other federal law to the contrary. However, if the PHA chooses to exercise this authority, it must follow any procedures prescribed by HUD or by applicable local, state, or federal law regarding termination of assistance. This means that the PHA must follow the same rules when terminating assistance to an individual as it would when terminating the assistance of an entire family [3/16/07 *Federal Register* notice on the applicability of VAWA to HUD programs].

### PHA Policy

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

In making its decision, the PHA will consider all credible evidence, including, but not limited to, a signed certification (form HUD-50066) or other documentation of abuse submitted to the PHA by the victim in accordance with this section and section 16-IX.D. The PHA will also consider the factors in section 12-II.D. Upon such consideration, the PHA may, on a case-by-case basis, choose not to terminate the assistance of the culpable family member.

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

## **12-II.F. TERMINATION NOTICE**

HUD regulations require PHAs to provide written notice of termination of assistance to a family only when the family is entitled to an informal hearing. However, since the family's HAP contract and lease will also terminate when the family's assistance terminates [form HUD-52641], it is a good business practice to provide written notification to both owner and family anytime assistance will be terminated, whether voluntarily or involuntarily.

### PHA Policy

Whenever a family's assistance will be terminated, the PHA will send a written notice of termination to the family and to the owner. The PHA will also send a form HUD-50066 to the family with the termination notice. The notice will state the date on which the termination will become effective. This date generally will be at least 30 calendar days following the date of the termination notice, but exceptions will be made whenever HUD rules, other PHA policies, or the circumstances surrounding the termination require.

When the PHA notifies an owner that a family's assistance will be terminated, the PHA will, if appropriate, advise the owner of his/her right to offer the family a separate, unassisted lease.

If a family whose assistance is being terminated is entitled to an informal hearing, the notice of termination that the PHA sends to the family must meet the additional HUD and PHA notice requirements discussed in section 16-III.C of this plan. VAWA 2013 expands notification requirements to require PHAs to provide notice of VAWA rights and the HUD 50066 form when a PHA terminates a household's housing benefits.

### PHA Policy

Whenever the PHA decides to terminate a family's assistance because of the family's action or failure to act, the PHA will include in its termination notice the VAWA information described in section 16-IX.C of this plan and a form HUD-50066. The PHA will request in writing that a family member wishing to claim protection under VAWA notify the PHA within 10 business days.

Still other notice requirements apply in two situations:

- If a criminal record is the basis of a family's termination, the PHA must provide a copy of the record to the subject of the record and the tenant so that they have an opportunity to dispute the accuracy and relevance of the record [24 CFR 982.553(d)(2)].
- If immigration status is the basis of a family's termination, as discussed in section 12-I.D, the special notice requirements in section 16-III.D must be followed.



## **PART III: TERMINATION OF TENANCY BY THE OWNER**

### **12-III.A. OVERVIEW**

Termination of an assisted tenancy is a matter between the owner and the family; the PHA is not directly involved. However, the owner is under some constraints when terminating an assisted tenancy. Termination of tenancy for certain reasons will also result in termination of assistance as discussed in this section.

### **12-III.B. GROUNDS FOR OWNER TERMINATION OF TENANCY [24 CFR 982.310, 24 CFR 5.2005(c), and Form HUD-52641-A, Tenancy Addendum]**

During the term of the lease, the owner is not permitted to terminate the tenancy except for serious or repeated violations of the lease, certain violations of state or local law, or other good cause.

#### **Serious or Repeated Lease Violations**

The owner is permitted to terminate the family's tenancy for serious or repeated violations of the terms and conditions of the lease, except when the violations are related to incidents of actual or threatened domestic violence, dating violence, sexual assault or stalking and the victim is protected from eviction by the Violence against Women Act of 2013 (see section 12-II.E). A serious lease violation includes failure to pay rent or other amounts due under the lease. However, the PHA's failure to make a HAP payment to the owner is not a violation of the lease between the family and the owner.

#### **Violation of Federal, State, or Local Law**

The owner is permitted to terminate the tenancy if a family member violates federal, state, or local law that imposes obligations in connection with the occupancy or use of the premises.

#### **Criminal Activity or Alcohol Abuse**

The owner may terminate tenancy during the term of the lease if any *covered person*—meaning any member of the household, a guest, or another person under the tenant's control—commits any of the following types of criminal activity (for applicable definitions see 24 CFR 5.100):

- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by, other residents (including property management staff residing on the premises)
- Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises
- Any violent criminal activity on or near the premises
- Any drug-related criminal activity on or near the premises

However, in the case of criminal activity directly related to domestic violence, dating violence, sexual assault or stalking, if the tenant or an affiliated individual is the victim, the criminal activity may not be construed as cause for terminating the victim's tenancy (see section 12-II.E).

The owner may terminate tenancy during the term of the lease if any member of the household is:

- Fleeing to avoid prosecution, custody, or confinement after conviction for a crime or an attempt to commit a crime that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor; or
- Violating a condition of probation or parole imposed under federal or state law.

The owner may terminate tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents.

### ***Evidence of Criminal Activity***

The owner may terminate tenancy and evict by judicial action a family for criminal activity by a covered person if the owner determines the covered person has engaged in the criminal activity, regardless of whether the covered person has been arrested or convicted for such activity and without satisfying the standard of proof used for a criminal conviction. This is the case except in certain incidents where the criminal activity directly relates to domestic violence, dating violence, sexual assault, or stalking, and the tenant or an affiliated individual is the victim or threatened victim of the domestic violence, dating violence, sexual assault, or stalking.

### **Other Good Cause**

During the initial lease term, the owner may not terminate the tenancy for “other good cause” unless the owner is terminating the tenancy because of something the family did or failed to do. During the initial lease term or during any extension term, other good cause includes the disturbance of neighbors, destruction of property, or living or housekeeping habits that cause damage to the unit or premises.

After the initial lease term, “other good cause” for termination of tenancy by the owner includes:

- Failure by the family to accept the offer of a new lease or revision
- The owner’s desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit
- A business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, or desire to lease the unit at a higher rent)

After the initial lease term, the owner may give the family notice at any time, in accordance with the terms of the lease.

### **12-III.C. EVICTION [24 CFR 982.310(e) and (f) and Form HUD-52641-A, Tenancy Addendum]**

The owner must give the tenant a written notice that specifies the grounds for termination of tenancy during the term of the lease. The tenancy does not terminate before the owner has given this notice, and the notice must be given at or before commencement of the eviction action.

The notice of grounds may be included in, or may be combined with, any owner eviction notice to the tenant.

Owner eviction notice means a notice to vacate, or a complaint or other initial pleading used under state or local law to commence an eviction action. The owner may only evict the tenant from the unit by instituting a court action. The owner must give the PHA a copy of any eviction notice at the same time the owner notifies the family. The family is also required to give the PHA a copy of any eviction notice (see Chapter 5).

#### PHA Policy

If the eviction action is finalized in court, the owner must provide the PHA with documentation related to the eviction, including notice of the eviction date, as soon as possible, but no later than 5 business days following the court-ordered eviction.

### **12-III.D. DECIDING WHETHER TO TERMINATE TENANCY [24 CFR 982.310(h), 24 CFR 982.310(h)(4)]**

An owner who has grounds to terminate a tenancy is not required to do so, and may consider all of the circumstances relevant to a particular case before making a decision. These might include:

- The nature of the offending action
- The seriousness of the offending action;
- The effect on the community of the termination, or of the owner's failure to terminate the tenancy;
- The extent of participation by the leaseholder in the offending action;
- The effect of termination of tenancy on household members not involved in the offending activity;
- The demand for assisted housing by families who will adhere to lease responsibilities;
- The extent to which the leaseholder has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
- The effect of the owner's action on the integrity of the program.

The owner may require a family to exclude a household member in order to continue to reside in the assisted unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

In determining whether to terminate tenancy for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the owner may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully (42 U.S.C. 13661). For this purpose, the owner may require the tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

The owner's termination of tenancy actions must be consistent with the fair housing and equal opportunity provisions in 24 CFR 5.105.

An owner's decision to terminate tenancy for incidents related to domestic violence, dating violence, sexual assault or stalking is limited by the Violence against Women Act of 2013 (VAWA) and the conforming regulations in 24 CFR Part 5, Subpart L. (See section 12-II.E.)

### **12-III.E. EFFECT OF TENANCY TERMINATION ON THE FAMILY'S ASSISTANCE**

If a termination is not due to a serious or repeated violation of the lease, and if the PHA has no other grounds for termination of assistance, the PHA may issue a new voucher so that the family can move with continued assistance (see Chapter 10).

## EXHIBIT 12-1: STATEMENT OF FAMILY OBLIGATIONS

Following is a listing of a participant family's obligations under the HCV program:

- The family must supply any information that the PHA or HUD determines to be necessary, including submission of required evidence of citizenship or eligible immigration status.
- The family must supply any information requested by the PHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition.
- The family must disclose and verify social security numbers and sign and submit consent forms for obtaining information.
- Any information supplied by the family must be true and complete.
- The family is responsible for any Housing Quality Standards (HQS) breach by the family caused by failure to pay tenant-provided utilities or appliances, or damages to the dwelling unit or premises beyond normal wear and tear caused by any member of the household or guest.

### PHA Policy

Damages beyond normal wear and tear will be considered to be damages which could be assessed against the security deposit.

- The family must allow the PHA to inspect the unit at reasonable times and after reasonable notice, as described in Chapter 8 of this plan.
- The family must not commit any serious or repeated violation of the lease.

### PHA Policy

The PHA will determine if a family has committed serious or repeated violations of the lease based on available evidence, including but not limited to, a court-ordered eviction or an owner's notice to evict.

*Serious and repeated lease violations* will include, but not be limited to, nonpayment of rent, disturbance of neighbors, destruction of property, living or housekeeping habits that cause damage to the unit or premises, and criminal activity. Generally, the criterion to be used will be whether or not the reason for the eviction was the fault of the tenant or guests. Any incidents of, or criminal activity related to, domestic violence, dating violence, sexual assault or stalking will not be construed as serious or repeated lease violations by the victim [24 CFR 5.2005(c)(1)].

- The family must notify the PHA and the owner before moving out of the unit or terminating the lease.

### PHA Policy

The family must comply with lease requirements regarding written notice to the owner. The family must provide written notice to the PHA at the same time the owner is notified.

- The family must promptly give the PHA a copy of any owner eviction notice.
- The family must use the assisted unit for residence by the family. The unit must be the family's only residence.

The composition of the assisted family residing in the unit must be approved by the PHA. The family must promptly notify the PHA in writing of the birth, adoption, or court-awarded custody of a child. The family must request PHA approval to add any other family member as an occupant of the unit.

#### PHA Policy

The request to add a family member must be submitted in writing and approved prior to the person moving into the unit. The PHA will determine eligibility of the new member in accordance with the policies in Chapter 3.

- The family must promptly notify the PHA in writing if any family member no longer lives in the unit.
- If the PHA has given approval, a foster child or a live-in aide may reside in the unit. The PHA has the discretion to adopt reasonable policies concerning residency by a foster child or a live-in aide, and to define when PHA consent may be given or denied. For policies related to the request and approval/disapproval of foster children, foster adults, and live-in aides, see Chapter 3 (Sections I.K and I.M), and Chapter 11 (Section II.B).
- The family must not sublease the unit, assign the lease, or transfer the unit.

#### PHA Policy

Subleasing includes receiving payment to cover rent and utility costs by a person living in the unit who is not listed as a family member.

- The family must supply any information requested by the PHA to verify that the family is living in the unit or information related to family absence from the unit.
- The family must promptly notify the PHA when the family is absent from the unit.

#### PHA Policy

Notice is required under this provision only when all family members will be absent from the unit for an extended period. An extended period is defined as any period greater than 14 calendar days. Written notice must be provided to the PHA at the start of the extended absence.

- The family must pay utility bills and provide and maintain any appliances that the owner is not required to provide under the lease [Form HUD-52646, Voucher].
- The family must not own or have any interest in the unit, (other than in a cooperative and owners of a manufactured home leasing a manufactured home space).
- Family members must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program. (See Chapter 14, Program Integrity for additional information).
- Family members must not engage in drug-related criminal activity or violent criminal activity or other criminal activity that threatens the health, safety or right to peaceful enjoyment of other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for HUD and PHA policies related to drug-related and violent criminal activity.

- Members of the household must not engage in abuse of alcohol in a way that threatens the health, safety or right to peaceful enjoyment of the other residents and persons residing in the immediate vicinity of the premises. See Chapter 12 for a discussion of HUD and PHA policies related to alcohol abuse.
- An assisted family or member of the family must not receive HCV program assistance while receiving another housing subsidy, for the same unit or a different unit under any other federal, state or local housing assistance program.
- A family must not receive HCV program assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any member of the family, unless the PHA has determined (and has notified the owner and the family of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities. [Form HUD-52646, Voucher]

## Chapter 13

### OWNERS

#### INTRODUCTION

Owners play a major role in the HCV program by supplying decent, safe, and sanitary housing for participating families.

The term “owner” refers to any person or entity with the legal right to lease or sublease a unit to a participant in the HCV program [24 CFR 982.4(b)]. The term “owner” includes a principal or other interested party [24 CFR 982.453; 24 CFR 982.306(f)], such as a designated agent of the owner.

Owners have numerous responsibilities under the program, including screening and leasing to families, maintaining the dwelling unit, enforcing the lease, and complying with various contractual obligations.

The chapter is organized in two parts:

Part I: Owners in the HCV Program. This part discusses the role of an owner in the PHA’s HCV program and highlights key owner rights and responsibilities.

Part II: HAP Contracts. This part explains provisions of the HAP contract and the relationship between the PHA and the owner as expressed in the HAP contract.

For detailed information about HCV program responsibilities and processes, including PHA policies in key areas, owners will need to refer to several other chapters in this plan. Where appropriate, Chapter 13 will reference the other chapters.

## **PART I. OWNERS IN THE HCV PROGRAM**

### **13-I.A. OWNER RECRUITMENT AND RETENTION [HCV GB, pp. 2-4 to 2-6]**

#### **Recruitment**

PHAs are responsible for ensuring that very low income families have access to all types and ranges of affordable housing in the PHA's jurisdiction, particularly housing outside areas of poverty or minority concentration. A critical element in fulfilling this responsibility is for the PHA to ensure that a sufficient number of owners, representing all types and ranges of affordable housing in the PHA's jurisdiction, are willing to participate in the HCV program.

To accomplish this objective, PHAs must identify and recruit new owners to participate in the program.

#### PHA Policy

The PHA will conduct owner outreach to ensure that owners are familiar with the program and its advantages. The PHA will actively recruit property owners with property located outside areas of poverty and minority concentration. These outreach strategies will include:

- Distributing printed material about the program to property owners and managers
- Contacting property owners and managers by phone or in-person
- Holding owner recruitment/information meetings at least once a year
- Participating in community based organizations comprised of private property and apartment owners and managers
- Developing working relationships with owners and real estate brokers associations

Outreach strategies will be monitored for effectiveness, and adapted accordingly.

## **Retention**

In addition to recruiting owners to participate in the HCV program, the PHA must also provide the kind of customer service that will encourage participating owners to remain active in the program.

### PHA Policy

All PHA activities that may affect an owner's ability to lease a unit will be processed as rapidly as possible, in order to minimize vacancy losses for owners.

The PHA will provide owners with a handbook that explains the program, including HUD and PHA policies and procedures, in easy-to-understand language.

The PHA will give special attention to helping new owners succeed through activities such as:

- Providing the owner with a designated PHA contact person.

- Coordinating inspection and leasing activities between the PHA, the owner, and the family.

- Initiating telephone contact with the owner to explain the inspection process, and providing an inspection booklet and other resource materials about HUD housing quality standards.

- Providing other written information about how the program operates, including answers to frequently asked questions.

Additional services may be undertaken on an as-needed basis, and as resources permit.

### **13-I.B. BASIC HCV PROGRAM REQUIREMENTS**

HUD requires the PHA to assist families in their housing search by providing the family with a list of landlords or other parties known to the PHA who may be willing to lease a unit to the family, or to help the family find a unit. Although the PHA cannot maintain a list of owners that are pre-qualified to participate in the program, owners may indicate to the PHA their willingness to lease a unit to an eligible HCV family, or to help the HCV family find a unit [24 CFR 982.301(b)(11)].

#### PHA Policy

Owners that wish to indicate their willingness to lease a unit to an eligible HCV family or to help the HCV family find a unit must notify the PHA. The PHA will maintain a listing of such owners and provide this listing to the HCV family as part of the informational briefing packet.

When a family approaches an owner to apply for tenancy, the owner is responsible for screening the family and deciding whether to lease to the family, just as the owner would with any potential unassisted tenant. The PHA has no liability or responsibility to the owner or other persons for the family's behavior or suitability for tenancy. See chapters 3 and 9 for more detail on tenant family screening policies and process.

If the owner is willing, the family and the owner must jointly complete a Request for Tenancy Approval (RTA, Form HUD 52517), which constitutes the family's request for assistance in the specified unit, and which documents the owner's willingness to lease to the family and to follow the program's requirements. When submitted to the PHA, this document is the first step in the process of obtaining approval for the family to receive the financial assistance it will need in order to occupy the unit. Also submitted with the RTA is a copy of the owner's proposed dwelling lease, including the HUD-required Tenancy Addendum (Form HUD-52641-A). See Chapter 9 for more detail on request for tenancy approval policies and process.

HUD regulations stipulate requirements for the approval of an assisted tenancy.

The owner must be qualified to participate in the program [24 CFR 982.306]. Some owners are precluded from participating in the program, or from renting to a particular family, either because of their past history with this or another federal housing program, or because of certain conflicts of interest. Owner qualifications are discussed later in this chapter.

The selected unit must be of a type that is eligible for the program [24 CFR 982.305(a)]. Certain types of dwelling units cannot be assisted under the HCV program. Other types may be assisted under certain conditions. See chapter 9 for more detail on unit eligibility policies and process.

The selected unit must meet HUD's Housing Quality Standards (HQS) and/or equivalent state or local standards approved by HUD [24 CFR 982.305(a)]. The PHA will inspect the owner's dwelling unit at least annually to ensure that the unit continues to meet HQS requirements. See chapter 8 for a discussion of the HQS standards and policies for HQS inspections at initial lease-up and throughout the family's tenancy.

The PHA must determine that the proposed rent for the unit is reasonable [24 CFR 982.305(a)]. The rent must be reasonable in relation to comparable unassisted units in the area and must not be in excess of rents charged by the owner for comparable, unassisted units on the premises. See chapter 8 for a discussion of requirements and policies on rent reasonableness, rent comparability and the rent reasonableness determination process.

At initial lease-up of a unit, if the gross rent exceeds the applicable payment standard, the PHA must ensure that the family share does not exceed 40 percent of the family's monthly adjusted income [24 CFR 982.305(a)]. See chapter 6 for a discussion of the calculation of family income, family share of rent and HAP.

The dwelling lease must comply with all program requirements [24 CFR 982.308]. Owners are encouraged to use their standard leases when renting to an assisted family. The HUD Tenancy Addendum includes the HUD requirements governing the tenancy and must be added word-for-word to the owner's lease. See chapter 9 for a discussion of the dwelling lease and tenancy addendum, including lease terms and provisions.

The PHA and the owner must execute a Housing Assistance Payment (HAP) Contract (Form HUD-52641). The HAP contract format is prescribed by HUD. See chapter 9 for a discussion of the HUD requirements for execution of the HAP contract.

### **13-I.C. OWNER RESPONSIBILITIES [24 CFR 982.452]**

The basic owner responsibilities in the HCV program are outlined in the regulations as follows:

- Complying with all of the owner's obligations under the housing assistance payments (HAP) contract and the lease
- Performing all management and rental functions for the assisted unit, including selecting a voucher-holder to lease the unit, and deciding if the family is suitable for tenancy of the unit
- Maintaining the unit in accordance with the Housing Quality Standards (HQS), including performance of ordinary and extraordinary maintenance
- Complying with equal opportunity requirements
- Preparing and furnishing to the PHA information required under the HAP contract
- Collecting the security deposit, the tenant rent, and any charges for unit damage by the family.
- Enforcing tenant obligations under the dwelling lease
- Paying for utilities and services that are not the responsibility of the family as specified in the lease
- Allowing reasonable modifications to a dwelling unit occupied or to be occupied by a disabled person [24 CFR 100.203]
- Complying with the Violence against Women Reauthorization Act of 2013 (VAWA) when screening prospective HCV tenants or terminating the tenancy of an HCV family (see 24 CFR Part 5, Subpart L; 24 CFR 982.310(h)(4); and 24 CFR 982.452(b)(1))

### **13-I.D. OWNER QUALIFICATIONS**

The PHA does not formally approve an owner to participate in the HCV program. However, there are a number of criteria where the PHA may deny approval of an assisted tenancy based on past owner behavior, conflict of interest, or other owner-related issues. No owner has a right to participate in the HCV program [24 CFR 982.306(e)].

#### **Owners Barred from Participation [24 CFR 982.306(a) and (b)]**

The PHA must not approve the assisted tenancy if the PHA has been informed that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24. HUD may direct the PHA not to approve a tenancy request if a court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements, or if such an action is pending.

#### **Leasing to Relatives [24 CFR 982.306(d), HCV GB p. 11-2]**

The PHA must not approve a tenancy if the owner is the parent, child, grandparent, grandchild, sister, or brother of any member of the family. The PHA may make an exception as a reasonable accommodation for a family member with a disability. The owner is required to certify that no such relationship exists. This restriction applies at the time that the family receives assistance under the HCV program for occupancy of a particular unit. Current contracts on behalf of owners and families that are related may continue, but any new leases or contracts for these families may not be approved.

#### **Conflict of Interest [24 CFR 982.161; HCV GB p. 8-19]**

The PHA must not approve a tenancy in which any of the following classes of persons has any interest, direct or indirect, during tenure or for one year thereafter:

- Any present or former member or officer of the PHA (except a participant commissioner)
- Any employee of the PHA, or any contractor, subcontractor or agent of the PHA, who formulates policy or who influences decisions with respect to the programs
- Any public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs
- Any member of the Congress of the United States

HUD may waive the conflict of interest requirements, except for members of Congress, for good cause. The PHA must submit a waiver request to the appropriate HUD Field Office for determination.

Any waiver request submitted by the PHA must include the following [HCV Guidebook pp.11-2 and 11-3]:

- Complete statement of the facts of the case;
- Analysis of the specific conflict of interest provision of the HAP contract and justification as to why the provision should be waived;
- Analysis of and statement of consistency with state and local laws. The local HUD office, the PHA, or both parties may conduct this analysis. Where appropriate, an opinion by the state's attorney general should be obtained;
- Opinion by the local HUD office as to whether there would be an appearance of impropriety if the waiver were granted;
- Statement regarding alternative existing housing available for lease under the HCV program or other assisted housing if the waiver is denied;
- If the case involves a hardship for a particular family, statement of the circumstances and discussion of possible alternatives;
- If the case involves a public official or member of the governing body, explanation of his/her duties under state or local law, including reference to any responsibilities involving the HCV program;
- If the case involves employment of a family member by the PHA or assistance under the HCV program for an eligible PHA employee, explanation of the responsibilities and duties of the position, including any related to the HCV program;
- If the case involves an investment on the part of a member, officer, or employee of the PHA, description of the nature of the investment, including disclosure/divestiture plans.

Where the PHA has requested a conflict of interest waiver, the PHA may not execute the HAP contract until HUD has made a decision on the waiver request.

#### PHA Policy

In considering whether to request a conflict of interest waiver from HUD, the PHA will consider certain factors such as consistency of the waiver with state and local laws, the existence of alternative housing available to families, the individual circumstances of a particular family, the specific duties of individuals whose positions present a possible conflict of interest, the nature of any financial investment in the property and plans for disclosure/divestiture, and the possible appearance of impropriety.

## **Owner Actions That May Result in Disapproval of a Tenancy Request [24 CFR 982.306(c)]**

HUD regulations permit the PHA to disapprove a request for tenancy for various actions and inactions of the owner.

If the PHA disapproves a request for tenancy because an owner is not qualified, it may not terminate the HAP contract for any assisted families that are already living in the owner's properties unless the owner has violated the HAP contract for those units [HCV GB p. 11-4].

### PHA Policy

The PHA will refuse to approve a request for tenancy if the PHA becomes aware that any of the following are true:

The owner has violated obligations under a HAP contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);

The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;

The owner has engaged in any drug-related criminal activity or any violent criminal activity;

The owner has a history or practice of non-compliance with the HQS for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;

The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the household, a guest or another person under the control of any member of the household that: (i) Threatens the right to peaceful enjoyment of the premises by other residents; (ii) Threatens the health or safety of other residents, of employees of the PHA, or of owner employees or other persons engaged in management of the housing; (iii) Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises; or (iv) Is drug-related criminal activity or violent criminal activity;

The owner has a history or practice of renting units that fail to meet state or local housing codes; or

The owner has not paid state or local real estate taxes, fines, or assessment.

In considering whether to disapprove owners for any of the discretionary reasons listed above, the PHA will consider any mitigating factors. Such factors may include, but are not limited to, the seriousness of the violation in relation to program requirements, the impact on the ability of families to lease units under the program, health and safety of participating families, among others. Upon consideration of such circumstances, the PHA may, on a case-by-case basis, choose to approve an owner.

## **Legal Ownership of Unit**

The following represents PHA policy on legal ownership of a dwelling unit to be assisted under the HCV program.

### PHA Policy

The PHA will only enter into a contractual relationship with the legal owner or authorized representative of a qualified unit.

## **13-I.E. NON-DISCRIMINATION [HAP Contract – Form HUD-52641]**

The owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability, in connection with any actions or responsibilities under the HCV program and the HAP contract with the PHA.

The owner must cooperate with the PHA and with HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with the HCV program and the HAP contract with the PHA.

See Chapter 2 for a more thorough discussion of Fair Housing and Equal Opportunity requirements in the HCV program.

## **PART II. HAP CONTRACTS**

### **13-II.A. OVERVIEW**

The HAP contract represents a written agreement between the PHA and the owner of the dwelling unit occupied by a HCV assisted family. The contract spells out the owner's responsibilities under the program, as well as the PHA's obligations. Under the HAP contract, the PHA agrees to make housing assistance payments to the owner on behalf of the family approved by the PHA to occupy the unit.

The HAP contract is used for all HCV program tenancies except for assistance under the Section 8 homeownership program, and assistance to families that own a manufactured home and use their assistance to lease the space for the manufactured home. See chapter 15 for a discussion of any special housing types included in the PHA's HCV program.

When the PHA has determined that the unit meets program requirements and the tenancy is approvable, the PHA and owner must execute the HAP contract. See chapter 9 for a discussion of the leasing process, including provisions for execution of the HAP contract.

### **13-II.B. HAP CONTRACT CONTENTS**

The HAP contract format is required by HUD, specifically Housing Assistance Payment (HAP) Contract, Form HUD-52641.

The HAP contract contains three parts.

Part A of the contract includes basic contract information: the names of the tenant and all household members, the address of the contract unit, start and end dates of initial lease term, the amount of initial monthly rent to owner, the amount of initial housing assistance payment, the utilities and appliances to be supplied by owner and tenant, and the signatures of the PHA representative and owner [HCV Guidebook, pp. 11-10 and 11-11].

In general, the HAP contract cannot be modified. However, PHAs do have the discretion to add language to Part A of the HAP contract which prohibits the owner from collecting a security deposit in excess of private market practices or in excess of amounts charged to unassisted tenants. PHA policy on the amount of security deposit an owner may collect is found in Chapter 9.

PHAs also have the discretion to add language to Part A of the HAP contract that defines when the housing assistance payment by the PHA is deemed received by the owner (e.g., upon mailing by the PHA or actual receipt by the owner).

#### PHA Policy

The PHA has not adopted a policy that defines when the housing assistance payment by the PHA is deemed received by the owner. Therefore, no modifications to the HAP contract will be necessary.

Part B is the body of the contract. It describes in detail program requirements affecting the owner and owner roles and responsibilities under the HCV program. Most of the requirements contained in Part B of the HAP contract are outlined elsewhere in this plan. Topics addressed in Part B include:

- Lease of Contract Unit
- Maintenance, Utilities, and Other Services
- Term of HAP Contract
- Provision and Payment of Utilities and Appliances
- Rent to Owner: Reasonable Rent
- PHA Payment to Owner
- Prohibition of Discrimination
- Owner's Breach of HAP Contract
- PHA and HUD Access to Premises and Owner's Records
- Exclusion of Third Party Rights
- Conflict of Interest
- Assignment of the HAP Contract
- Written Notices
- Entire Agreement Interpretation

Part C of the contract includes the Tenancy Addendum (Form HUD-52641-A). The addendum sets forth the tenancy requirements for the program and the composition of the household, as approved by the PHA. The tenant has the right to enforce the Tenancy Addendum against the owner. The terms of the Tenancy Addendum prevail over any other provisions of the lease.

## **13-II.C. HAP CONTRACT PAYMENTS**

### **General**

During the term of the HAP contract, and subject to the provisions of the HAP contract, the PHA must make monthly HAP payments to the owner on behalf of the family, at the beginning of each month. If a lease term begins after the first of the month, the HAP payment for the first month is prorated for a partial month.

The amount of the HAP payment is determined according to the policies described in Chapter 6, and is subject to change during the term of the HAP contract. The PHA must notify the owner and the family in writing of any changes in the HAP payment.

HAP payments can be made only during the lease term, and only while the family is residing in the unit.

The monthly HAP payment by the PHA is credited toward the monthly rent to owner under the family's lease. The total of the rent paid by the tenant and the HAP payment is equal to the rent to owner as specified in the lease.

The family is not responsible for payment of the HAP payment, and the PHA is not responsible for payment of the family share of rent.

The family's share of the rent cannot be more than the difference between the rent to owner and the HAP payment. The owner may not demand or accept any rent payment from the tenant in excess of this maximum [24 CFR 982.451(b)(4)]. The owner may not charge the tenant extra amounts for items customarily included in rent in the locality, or provided at no additional cost to unsubsidized tenants in the premises [24 CFR 982.510(c)]. See chapter 9 for a discussion of separate, non-lease agreements for services, appliances and other items that are not included in the lease.

If the owner receives any excess HAP from the PHA, the excess amount must be returned immediately. If the PHA determines that the owner is not entitled to all or a portion of the HAP, the PHA may deduct the amount of overpayment from any amounts due to the owner, including amounts due under any other Section 8 HCV contract. See Chapter 16 for additional detail on owner reimbursement of HAP overpayments.

### **Owner Certification of Compliance**

Unless the owner complies with all provisions of the HAP contract, the owner is not entitled to receive housing assistance payments under the HAP contract [HAP Contract – Form HUD-52641].

By endorsing the monthly check from the PHA, the owner certifies to compliance with the terms of the HAP contract. This includes certification that the owner is maintaining the unit and premises in accordance with HQS; that the contract unit is leased to the tenant family and, to the best of the owner's knowledge, the family resides in the unit as the family's only residence; the rent to owner does not exceed rents charged by the owner for comparable unassisted units on the premises; and that the owner does not receive (other than rent to owner) any additional payments or other consideration for rent of the contract unit during the HAP term.

### **Late HAP Payments [24 CFR 982.451(a)(5)]**

The PHA is responsible for making HAP payments promptly when due to the owner, in accordance with the terms of the HAP contract. After the first two calendar months of the HAP contract term, the HAP contract provides for late penalties if the PHA fails to make the HAP payment on time.

Penalties for late HAP payments can only be imposed if 1) the penalties are in accordance with generally accepted local rental market practices and law governing penalties for late payment by tenants; 2) it is the owner's normal business practice to charge late payment penalties for both assisted and unassisted families; and 3) the owner charges the assisted family for late payment of the family's share of the rent.

The PHA is not required to pay a late payment penalty if HUD determines that the payment is late for reasons beyond the PHA's control. In addition, late payment penalties are not required if the PHA intentionally delays or denies payment as a remedy to an owner breach of the HAP contract [HCV Guidebook p. 11-7].

### **Termination of HAP Payments [24 CFR 982.311(b)]**

The PHA must continue making housing assistance payments to the owner in accordance with the HAP contract as long as the tenant continues to occupy the unit and the HAP contract is not violated.

HAP payments terminate when the HAP contract terminates or when the tenancy is terminated in accordance with the terms of the lease.

If the owner has initiated eviction proceedings against the family and the family continues to reside in the unit, the PHA must continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant.

#### PHA Policy

The owner must inform the PHA when the owner has initiated eviction proceedings against the family and the family continues to reside in the unit.

The owner must inform the PHA when the owner has obtained a court judgment or other process allowing the owner to evict the tenant, and provide the PHA with a copy of such judgment or determination.

After the owner has obtained a court judgment or other process allowing the owner to evict the tenant, the PHA will continue to make HAP payments to the owner until the family actually moves from the unit or until the family is physically evicted from the unit, whichever is earlier. The owner must inform the PHA of the date when the family actually moves from the unit or the family is physically evicted from the unit.

### **13-II.D. BREACH OF HAP CONTRACT [24 CFR 982.453]**

Any of the following actions by the owner constitutes a breach of the HAP contract:

- If the owner violates any obligations under the HAP contract including failure to maintain the unit in accordance with HQS
- If the owner has violated any obligation under any other HAP contract under Section 8
- If the owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program
- For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulation for the applicable program; or if the owner has committed fraud, bribery or any other corrupt or criminal act in connection with the mortgage or loan
- If the owner has engaged in drug-related criminal activity
- If the owner has committed any violent criminal activity

If the PHA determines that a breach of the HAP contract has occurred, it may exercise any of its rights and remedies under the HAP contract.

The PHA rights and remedies against the owner under the HAP contract include recovery of any HAP overpayment, suspension of housing assistance payments, abatement or reduction of the housing assistance payment, termination of the payment or termination of the HAP contract. The PHA may also obtain additional relief by judicial order or action.

The PHA must notify the owner of its determination and provide in writing the reasons for the determination. The notice may require the owner to take corrective action by an established deadline. The PHA must provide the owner with written notice of any reduction in housing assistance payments or the termination of the HAP contract.

#### PHA Policy

Before the PHA invokes a remedy against an owner, the PHA will evaluate all information and documents available to determine if the contract has been breached.

If relevant, the PHA will conduct an audit of the owner's records pertaining to the tenancy or unit.

If it is determined that the owner has breached the contract, the PHA will consider all of the relevant factors including the seriousness of the breach, the effect on the family, the owner's record of compliance and the number and seriousness of any prior HAP contract violations.

### **13-II.E. HAP CONTRACT TERM AND TERMINATIONS**

The term of the HAP contract runs concurrently with the term of the dwelling lease [24 CFR 982.451(a)(2)], beginning on the first day of the initial term of the lease and terminating on the last day of the term of the lease, including any lease term extensions.

The HAP contract and the housing assistance payments made under the HAP contract terminate if [HCV Guidebook pp.11-4 and 11-5, pg. 15-3]:

- The owner or the family terminates the lease;
- The lease expires;
- The PHA terminates the HAP contract;
- The PHA terminates assistance for the family;
- The family moves from the assisted unit. In this situation, the owner is entitled to keep the housing assistance payment for the month when the family moves out of the unit.
- 180 calendar days have elapsed since the PHA made the last housing assistance payment to the owner;
- The family is absent from the unit for longer than the maximum period permitted by the PHA;
- The Annual Contributions Contract (ACC) between the PHA and HUD expires
- The PHA elects to terminate the HAP contract.

#### PHA Policy

The PHA may elect to terminate the HAP contract in each of the following situations:

Available program funding is not sufficient to support continued assistance for families in the program [24 CFR 982.454];

The unit does not meet HQS size requirements due to change in family composition [24 CFR 982.403] – see chapter 8;

The unit does not meet HQS [24 CFR 982.404] – see chapter 8;

The family breaks up [HUD Form 52641] – see chapter 3;

The owner breaches the HAP contract [24 CFR 982.453(b)] – see Section 13-II.D.

If the PHA terminates the HAP contract, the PHA must give the owner and the family written notice. The notice must specify the reasons for the termination and the effective date of the termination. Once a HAP contract is terminated, no further HAP payments may be made under that contract [HCV Guidebook pg.15-4].

#### PHA Policy

In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period, and must return to the PHA any housing assistance payment received after this period.

If the family moves from the assisted unit into a new unit, even if the new unit is in the same building or complex as the assisted unit, the HAP contract for the assisted unit terminates. A new HAP contract would be required [HCV GB, p. 11-17].

When the family moves from an assisted unit into a new unit, the term of the HAP contract for the new unit may begin in the same month in which the family moves out of its old unit. This is not considered a duplicative subsidy [HCV GB, p. 8-22].

### **13-II.F. CHANGE IN OWNERSHIP / ASSIGNMENT OF THE HAP CONTRACT [HUD-52641]**

The HAP contract cannot be assigned to a new owner without the prior written consent of the PHA.

An owner under a HAP contract must notify the PHA in writing prior to a change in the legal ownership of the unit. The owner must supply all information as requested by the PHA.

Prior to approval of assignment to a new owner, the new owner must agree to be bound by and comply with the HAP contract. The agreement between the new owner and the former owner must be in writing and in a form that the PHA finds acceptable. The new owner must provide the PHA with a copy of the executed agreement.

#### PHA Policy

Assignment of the HAP contract will be approved only if the new owner is qualified to become an owner under the HCV program according to the policies in Section 13-I.D. of this chapter.

The PHA must receive a signed, written request from the existing owner stating the name and address of the new HAP payee and the effective date of the assignment in order to change the HAP payee under an outstanding HAP contract.

Within 14 business days of receiving the owner's request, the PHA will inform the current owner in writing whether the assignment may take place.

The new owner must provide a written certification to the PHA that includes:

- A copy of the escrow statement or other document showing the transfer of title and recorded deed;

- A copy of the owner's IRS Form W-9, Request for Taxpayer Identification Number and Certification, or the social security number of the new owner;

- The effective date of the HAP contract assignment;

- A written agreement to comply with the terms of the HAP contract; and

- A certification that the new owner is not a prohibited relative.

If the new owner does not agree to an assignment of the HAP contract, or fails to provide the necessary documents, the PHA will terminate the HAP contract with the old owner. If the new owner wants to offer the family a new lease, and the family elects to stay with continued assistance, the PHA will process the leasing in accordance with the policies in Chapter 9.

## Chapter 14

### PROGRAM INTEGRITY

#### INTRODUCTION

The PHA is committed to ensuring that subsidy funds made available to the PHA are spent in accordance with HUD requirements.

This chapter covers HUD and PHA policies designed to prevent, detect, investigate, and resolve instances of program abuse or fraud. It also describes the actions that will be taken in the case of unintentional errors and omissions.

Part I: Preventing, Detecting, and Investigating Errors and Program Abuse. This part presents PHA policies related to preventing, detecting, and investigating errors and program abuse.

Part II: Corrective Measures and Penalties. This part describes the corrective measures the PHA must and may take when errors or program abuses are found.

## **PART I: PREVENTING, DETECTING, AND INVESTIGATING ERRORS AND PROGRAM ABUSE**

### **14-I.A. PREVENTING ERRORS AND PROGRAM ABUSE**

HUD created the Enterprise Income Verification (EIV) system to provide PHAs with a powerful tool for preventing errors and detecting program abuse. PHAs are required to use the EIV system in its entirety in accordance with HUD administrative guidance [24 CFR 5.233]. PHAs are further required to:

- Provide applicants and participants with form HUD-52675, “Debts Owed to PHAs and Terminations”
- Require all adult members of an applicant or participant family to acknowledge receipt of form HUD-52675 by signing a copy of the form for retention in the family file

#### PHA Policy

To ensure that the PHA’s HCV program is administered according to the highest ethical and legal standards, the PHA will employ a variety of techniques to ensure that both errors and intentional program abuse are rare.

The PHA will discuss program compliance and integrity issues during the voucher briefing sessions described in Chapter 5.

The PHA will provide each applicant and participant with a copy of “Is Fraud Worth It?” (form HUD-1141-OIG), which explains the types of actions a family must avoid and the penalties for program abuse.

The PHA will provide each applicant and participant with a copy of “What You Should Know about EIV,” a guide to the Enterprise Income Verification (EIV) system published by HUD as an attachment to Notice PIH 2010-19. In addition, the PHA will require the head of each household to acknowledge receipt of the guide by signing a copy for retention in the family file.

The PHA will place a warning statement about the penalties for fraud (as described in 18 U.S.C. 1001 and 1010) on key PHA forms and form letters that request information from a family or owner.

PHA staff will be required to review and explain the contents of all HUD- and PHA-required forms prior to requesting family member signatures.

At every regular reexamination, PHA staff will explain any changes in HUD regulations or PHA policy that affect program participants.

The PHA will provide owners with ongoing information about the program, with an emphasis on actions and situations to avoid.

The PHA will provide each PHA employee with the necessary training on program rules and the organization’s standards of conduct and ethics.

For purposes of this chapter the term *error* refers to an unintentional error or omission. *Program abuse or fraud* refers to a single act or pattern of actions that constitute a false statement, omission, or concealment of a substantial fact, made with the intent to deceive or mislead.

#### **14-I.B. DETECTING ERRORS AND PROGRAM ABUSE**

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

##### **Quality Control and Analysis of Data**

Under the Section 8 Management Assessment Program (SEMAP), HUD requires the PHA to review a random sample of tenant records annually to determine if the records conform to program requirements and to conduct quality control inspections of a sample of units to ensure HQS compliance [24 CFR, Part 985]. (See Chapter 16 for additional information about SEMAP requirements).

##### PHA Policy

In addition to the SEMAP quality control requirements, the PHA will employ a variety of methods to detect errors and program abuse.

The PHA routinely will use HUD and other non-HUD sources of up-front income verification. This includes EIV and any other private or public databases available to the PHA.

At each annual reexamination, current information provided by the family will be compared to information provided at the last annual reexamination to identify inconsistencies and incomplete information.

The PHA will compare family-reported income and expenditures to detect possible unreported income.

##### **Independent Audits and HUD Monitoring**

OMB Circular A-133 requires all PHAs that expend \$500,000 or more in federal awards annually to have an independent audit (IPA). In addition, HUD conducts periodic on-site and automated monitoring of PHA activities and notifies the PHA of errors and potential cases of program abuse.

##### PHA Policy

The PHA will use the results reported in any IPA or HUD monitoring reports to identify potential program abuses as well as to assess the effectiveness of the PHA's error detection and abuse prevention efforts.

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

##### PHA Policy

The PHA will encourage staff, program participants, and the public to report possible program abuse.

## **14-I.C. INVESTIGATING ERRORS AND PROGRAM ABUSE**

### **When the PHA Will Investigate**

#### PHA Policy

The PHA will review all referrals, specific allegations, complaints, and tips from any source including other agencies, companies, and individuals, to determine if they warrant investigation. In order for the PHA to investigate, the allegation must contain at least one independently verifiable item of information, such as the name of an employer or the name of an unauthorized household member.

The PHA will investigate when inconsistent or contradictory information is detected through file reviews and the verification process.

### **Consent to Release of Information [24 CFR 982.516]**

The PHA may investigate possible instances of error or abuse using all available PHA and public records. If necessary, the PHA will require HCV families to sign consent forms for the release of additional information.

### **Analysis and Findings**

#### PHA Policy

The PHA will base its evaluation on a preponderance of the evidence collected during its investigation.

*Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence that as a whole shows that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

For each investigation the PHA will determine (1) whether an error or program abuse has occurred, (2) whether any amount of money is owed the PHA, and (3) what corrective measures or penalties will be assessed.

## **Consideration of Remedies**

All errors and instances of program abuse must be corrected prospectively. Whether the PHA will enforce other corrective actions and penalties depends upon the nature of the error or program abuse.

### PHA Policy

In the case of family-caused errors or program abuse, the PHA will take into consideration (1) the seriousness of the offense and the extent of participation or culpability of individual family members, (2) any special circumstances surrounding the case, (3) any mitigating circumstances related to the disability of a family member, (4) the effects of a particular remedy on family members who were not involved in the offense.

In the case of owner-caused errors or program abuse, the PHA will take into consideration (1) the seriousness of the offense, (2) the length of time since the violation has occurred, and (3) the effects of a particular remedy on family members who were not involved in the offense.

## **Notice and Appeals**

### PHA Policy

The PHA will inform the relevant party in writing of its findings and remedies within 14 business days of the conclusion of the investigation. The notice will include (1) a description of the error or program abuse, (2) the basis on which the PHA determined the error or program abuses, (3) the remedies to be employed, and (4) the family's right to appeal the results through the informal review or hearing process, if applicable (see Chapter 16).



## **PART II: CORRECTIVE MEASURES AND PENALTIES**

### **14-II.A. SUBSIDY UNDER- OR OVERPAYMENTS**

A subsidy under- or overpayment includes (1) an incorrect housing assistance payment to the owner, (2) an incorrect family share established for the family, and (3) an incorrect utility reimbursement to a family.

#### **Corrections**

Whether the incorrect subsidy determination is an overpayment or underpayment of subsidy, the PHA must promptly correct the HAP, family share, and any utility reimbursement prospectively.

##### PHA Policy

Increases in the family share will be implemented on the first of the month following a written 30-day notice.

Any decreases in family share will become effective the first of the month following the discovery of the error.

#### **Reimbursement**

Whether the family or owner is required to reimburse the PHA or the PHA is required to make retroactive subsidy payments to the owner or family depends upon which party is responsible for the incorrect subsidy payment and whether the action taken was an error or program abuse. Policies regarding reimbursement are discussed in the three sections that follow.

## **14-II.B. FAMILY-CAUSED ERRORS AND PROGRAM ABUSE**

Family obligations and general administrative requirements for participating in the program are discussed throughout this plan. This section deals specifically with errors and program abuse by family members.

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

### **Family Reimbursement to PHA [HCV GB pp. 22-12 to 22-13]**

#### PHA Policy

In the case of family-caused errors or program abuse, the family will be required to repay any excess subsidy received. The PHA may, but is not required to, offer the family a repayment agreement in accordance with Chapter 16. If the family fails to repay the excess subsidy, the PHA will terminate the family's assistance in accordance with the policies in Chapter 12.

### **PHA Reimbursement to Family [HCV GB p. 22-12]**

#### PHA Policy

The PHA will not reimburse the family for any underpayment of assistance when the underpayment clearly is caused by the family.

## **Prohibited Actions**

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

- Make a false statement to the PHA [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.552(c)(iv)].

### PHA Policy

Any of the following will be considered evidence of family program abuse:

Payment to the owner in excess of amounts authorized by the PHA for rent, security deposit, and additional services

Offering bribes or illegal gratuities to the PHA Board of Commissioners, employees, contractors, or other PHA representatives

Offering payments or other incentives to the owner or a third party as an inducement for the third party to make false or misleading statements to the PHA on the family's behalf

Use of a false name or the use of falsified, forged, or altered documents

Intentional misreporting of family information or circumstances (e.g. income, family composition)

Omitted facts that were obviously known by a family member (e.g., not reporting employment income)

Admission of program abuse by an adult family member

The PHA may determine other actions to be program abuse based upon a preponderance of the evidence, as defined earlier in this chapter.

## **Penalties for Program Abuse**

In the case of program abuse caused by a family the PHA may, at its discretion, impose any of the following remedies.

- The PHA may require the family to repay excess subsidy amounts paid by the PHA, as described earlier in this section.
- The PHA may require, as a condition of receiving or continuing assistance, that a culpable family member not reside in the unit. See policies in Chapter 3 (for applicants) and Chapter 12 (for participants).
- The PHA may deny or terminate the family's assistance following the policies set forth in Chapter 3 and Chapter 12 respectively.
- The PHA may refer the family for state or federal criminal prosecution as described in section 14-II.E.

## **14-II.C. OWNER-CAUSED ERROR OR PROGRAM ABUSE**

Owner requirements that are part of the regular process of offering, leasing, and maintaining a unit (e.g., HQS compliance, fair housing) are addressed in the appropriate chapters of this plan. This section focuses on errors and program abuse by owners.

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

### **Owner Reimbursement to the PHA**

In all cases of overpayment of subsidy caused by the owner, the owner must repay to the PHA any excess subsidy received. The PHA may recover overpaid amounts by withholding housing assistance payments due for subsequent months, or if the debt is large, the PHA may allow the owner to pay in installments over a period of time [HCV GB p. 22-13].

#### PHA Policy

In cases where the owner has received excess subsidy, the PHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

### **Prohibited Owner Actions**

An owner participating in the HCV program must not:

- Make any false statement to the PHA [Title 18 U.S.C. Section 1001].
- Commit fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program [24 CFR 982.453(a)(3)] including:

#### PHA Policy

Any of the following will be considered evidence of owner program abuse:

Charging the family rent above or below the amount specified by the PHA

Charging a security deposit other than that specified in the family's lease

Charging the family for services that are provided to unassisted tenants at no extra charge

Knowingly accepting housing assistance payments for any month(s) after the family has vacated the unit

Knowingly accepting incorrect or excess housing assistance payments

Offering bribes or illegal gratuities to the PHA Board of Commissioners, employees, contractors, or other PHA representatives

Offering payments or other incentives to an HCV family as an inducement for the family to make false or misleading statements to the PHA

Residing in the unit with an assisted family

## **Remedies and Penalties**

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

- Require the owner to repay excess housing assistance payments, as discussed earlier in this section and in accordance with the policies in Chapter 16.
- Terminate the HAP contract (See Chapter 13).
- Bar the owner from future participation in any PHA programs.
- Refer the case to state or federal officials for criminal prosecution as described in section 14-II.E.

## **14-II.D. PHA-CAUSED ERRORS OR PROGRAM ABUSE**

The responsibilities and expectations of PHA staff with respect to normal program administration are discussed throughout this plan. This section specifically addresses actions of a PHA staff member that are considered errors or program abuse related to the HCV program. Additional standards of conduct may be provided in the PHA personnel policy.

PHA-caused incorrect subsidy determinations include (1) failing to correctly apply HCV rules regarding family composition, income, assets, and expenses, (2) assigning the incorrect voucher size to a family, and (3) errors in calculation.

### **Repayment to the PHA**

Neither a family nor an owner is required to repay an overpayment of subsidy if the error or program abuse is caused by PHA staff [HCV GB. 22-12].

### **PHA Reimbursement to Family or Owner**

The PHA must reimburse a family for any underpayment of subsidy, regardless of whether the underpayment was the result of staff-caused error or staff or owner program abuse. Funds for this reimbursement must come from the PHA's administrative fee reserves [HCV GB p. 22-12].

### **Prohibited Activities**

#### PHA Policy

Any of the following will be considered evidence of program abuse by PHA staff:

- Failing to comply with any HCV program requirements for personal gain

- Failing to comply with any HCV program requirements as a result of a conflict of interest relationship with any applicant, participant, or owner

- Seeking or accepting anything of material value from applicants, participating families, vendors, owners, contractors, or other persons who provide services or materials to the PHA

- Disclosing confidential or proprietary information to outside parties

- Gaining profit as a result of insider knowledge of PHA activities, policies, or practices

- Misappropriating or misusing HCV funds

- Destroying, concealing, removing, or inappropriately using any records related to the HCV program

- Committing any other corrupt or criminal act in connection with any federal housing program

## **14-II.E. CRIMINAL PROSECUTION**

### PHA Policy

When the PHA determines that program abuse by an owner, family, or PHA staff member has occurred and the amount of overpaid subsidy meets or exceeds the threshold for prosecution under local or state law, the PHA will refer the matter to the appropriate entity for prosecution. When the amount of overpaid assistance meets or exceeds the federal threshold, the case will also be referred to the HUD Office of Inspector General (OIG).

Other criminal violations related to the HCV program will be referred to the appropriate local, state, or federal entity.

## **14-II.F. FRAUD AND PROGRAM ABUSE RECOVERIES**

The PHA may retain a portion of program fraud losses that the PHA recovers from a family or owner through litigation, court order, or a repayment agreement [24 CFR 982.163].

The PHA must be the principal party initiating or sustaining the action to recover amounts due from tenants that are due as a result of fraud and abuse. 24 CFR 792.202 permits the PHA to retain the greater of:

- 50 percent of the amount it actually collects from a judgment, litigation (including settlement of a lawsuit) or an administrative repayment agreement, or
- Reasonable and necessary costs that the PHA incurs related to the collection including costs of investigation, legal fees, and agency collection fees.

The family must be afforded the opportunity for an informal hearing in accordance with requirements in 24 CFR 982.555.

If HUD incurs costs on behalf of the PHA related to the collection, these costs must be deducted from the amount retained by the PHA.

## Chapter 15

### SPECIAL HOUSING TYPES

[24 CFR 982 Subpart M]

#### INTRODUCTION

The PHA may permit a family to use any of the special housing types discussed in this chapter. However, the PHA is not required to permit families receiving assistance in its jurisdiction to use these housing types, except that PHAs must permit use of any special housing type if needed as a reasonable accommodation for a person with a disability. The PHA also may limit the number of families who receive HCV assistance in these housing types and cannot require families to use a particular housing type. No special funding is provided for special housing types.

#### PHA Policy

Families will be permitted to use the homeownership option.

Families will not be permitted to use any other special housing types, unless use is needed as a reasonable accommodation so that the program is readily accessible to a person with disabilities.

Special housing types include single room occupancy (SRO), congregate housing, group homes, shared housing, cooperative housing, manufactured homes where the family owns the home and leases the space, and homeownership [24 CFR 982.601].

This chapter consists of the following seven parts. Each part contains a description of the housing type and any special requirements associated with it. Except as modified by this chapter, the general requirements of the HCV program apply to special housing types.

Part I: Single Room Occupancy

Part II: Congregate Housing

Part III: Group Homes

Part IV: Shared Housing

Part V: Cooperative Housing

Part VI: Manufactured Homes (including manufactured home space rental)

Part VII: Homeownership

## **PART I: SINGLE ROOM OCCUPANCY**

[24 CFR 982.602 through 982.605]

### **15-I.A. OVERVIEW**

A single room occupancy (SRO) unit provides living and sleeping space for the exclusive use of the occupant but requires the occupant to share sanitary and/or food preparation facilities with others. More than one person may not occupy an SRO unit. HCV regulations do not limit the number of units in an SRO facility, but the size of a facility may be limited by local ordinances.

When providing HCV assistance in an SRO unit, a separate lease and HAP contract are executed for each assisted person, and the standard form of the HAP contract is used.

### **15-I.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

The payment standard for SRO housing is 75 percent of the zero-bedroom payment standard amount on the PHA's payment standard schedule.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero-bedroom utility allowance.

The HAP for an assisted occupant in an SRO facility is the lower of the SRO payment standard amount minus the TTP or the gross rent for the unit minus the TTP.

## 15-I.C. HOUSING QUALITY STANDARDS (HQS)

HQS requirements described in Chapter 8 apply to SRO housing except as modified below.

- *Access:* Access doors to the SRO unit must have working locks for privacy. The occupant must be able to access the unit without going through any other unit. Each unit must have immediate access to two or more approved means of exit from the building, appropriately marked and leading to safe and open space at ground level. The SRO unit must also have any other means of exit required by State or local law.
- *Fire Safety:* All SRO facilities must have a sprinkler system that protects major spaces. “Major spaces” are defined as hallways, common areas, and any other areas specified in local fire, building, or safety codes. SROs must also have hard-wired smoke detectors, and any other fire and safety equipment required by state or local law.

Sanitary facilities and space and security standards must meet local code requirements for SRO housing. In the absence of local code standards the requirements discussed below apply [24 CFR 982.605].

- *Sanitary Facilities:* At least one flush toilet that can be used in privacy, a lavatory basin, and a bathtub or shower in proper operating condition must be provided for each six persons (or fewer) residing in the SRO facility. If the SRO units are leased only to men, flush urinals may be substituted for up to one half of the required number of toilets. Sanitary facilities must be reasonably accessible from a common hall or passageway, and may not be located more than one floor above or below the SRO unit. They may not be located below grade unless the SRO units are located on that level.
- *Space and Security:* An SRO unit must contain at least 110 square feet of floor space, and at least four square feet of closet space with an unobstructed height of at least five feet, for use by the occupant. If the closet space is less than four square feet, the habitable floor space in the SRO unit must be increased by the amount of the deficiency. Exterior doors and windows accessible from outside the SRO unit must be lockable.

Because no children live in SRO housing, the housing quality standards applicable to lead-based paint do not apply.

**PART II: CONGREGATE HOUSING**  
[24 CFR 982.606 through 982.609]

**15-II.A. OVERVIEW**

Congregate housing is intended for use by elderly persons or persons with disabilities. A congregate housing facility contains a shared central kitchen and dining area and a private living area for the individual household that includes at least a living room, bedroom and bathroom. Food service for residents must be provided.

If approved by the PHA, a family member or live-in aide may reside with the elderly person or person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in congregate housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

## **15-II.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

The payment standard for an individual unit in a congregate housing facility is based on the number of rooms in the private living area. If there is only one room in the unit (not including the bathroom or the kitchen, if a kitchen is provided), the PHA must use the payment standard for a zero-bedroom unit. If the unit has two or more rooms (other than the bathroom and the kitchen), the PHA must use the one-bedroom payment standard.

The HAP for an assisted occupant in a congregate housing facility is the lower of the applicable payment standard minus the TTP or the gross rent for the unit minus the TTP.

The gross rent for the unit for the purpose of calculating HCV assistance is the shelter portion (including utilities) of the resident's monthly housing expense only. The residents' costs for food service should not be included in the rent for a congregate housing unit.

## **15-II.C. HOUSING QUALITY STANDARDS**

HQS requirements as described in Chapter 8 apply to congregate housing except for the requirements stated below.

- Congregate housing must have (1) a refrigerator of appropriate size in the private living area of each resident; (2) a central kitchen and dining facilities located within the premises and accessible to the residents, and (3) food service for the residents, that is not provided by the residents themselves.
- The housing quality standards applicable to lead-based paint do not apply.

## **PART III: GROUP HOME**

[24 CFR 982.610 through 982.614 and HCV GB p. 7-4]

### **15-III.A. OVERVIEW**

A group home is a state-licensed facility intended for occupancy by elderly persons and/or persons with disabilities. Except for live-in aides, all persons living in a group home, whether assisted or not, must be elderly persons or persons with disabilities. Persons living in a group home must not require continuous medical or nursing care.

A group home consists of bedrooms for residents, which can be shared by no more than two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.

No more than 12 persons may reside in a group home including assisted and unassisted residents and any live-in aides.

If approved by the PHA, a live-in aide may live in the group home with a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in a group home, a separate lease and HAP contract is executed for each assisted family, and the standard form of the HAP contract is used.

### **15-III.B. PAYMENT STANDARD, UTILITY ALLOWANCE, AND HAP CALCULATION**

Unless there is a live-in aide, the family unit size for an assisted occupant of a group home must be zero- or one-bedroom, depending on the PHA's subsidy standard. If there is a live-in aide, the aide must be counted in determining the household's unit size.

The payment standard used to calculate the HAP is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the group home size. The prorata share is calculated by dividing the number of persons in the assisted household by the number of persons (assisted and unassisted) living in the group home.

The HAP for an assisted occupant in a group home is the lower of the payment standard minus the TTP or the gross rent minus the TTP.

The utility allowance for an assisted occupant in a group home is the prorata share of the utility allowance for the group home.

The rents paid for participants residing in group homes are subject to generally applicable standards for rent reasonableness. The rent for an assisted person must not exceed the prorata portion of the reasonable rent for the group home. In determining reasonable rent, the PHA should consider whether sanitary facilities and facilities for food preparation and service are common facilities or private facilities.

### 15-III.C. HOUSING QUALITY STANDARDS

HQS requirements described in Chapter 8 apply to group homes except for the requirements stated below.

- *Sanitary Facilities:* A group home must have at least one bathroom in the facility, with a flush toilet that can be used in privacy, a fixed basin with hot and cold running water, and a shower or bathtub with hot and cold running water. A group home may contain private or common bathrooms. However, no more than four residents can be required to share a bathroom.
- *Food Preparation and Service:* Group home units must contain a kitchen and dining area with adequate space to store, prepare, and serve food. The facilities for food preparation and service may be private or may be shared by the residents. The kitchen must contain a range, an oven, a refrigerator, and a sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.
- *Space and Security:* Group homes must contain at least one bedroom of appropriate size for every two people, and a living room, kitchen, dining area, bathroom, and other appropriate social, recreational, or community space that may be shared with other residents.
- *Structure and Material:* To avoid any threat to the health and safety of the residents, group homes must be structurally sound. Elevators must be in good condition. Group homes must be accessible to and usable by residents with disabilities.
- *Site and Neighborhood:* Group homes must be located in a residential setting. The site and neighborhood should be reasonably free from hazards to the health, safety, and general welfare of the residents, and should not be subject to serious adverse conditions, such as:
  - Dangerous walks or steps
  - Instability
  - Flooding, poor drainage
  - Septic tank back-ups
  - Sewage hazards
  - Mud slides
  - Abnormal air pollution
  - Smoke or dust
  - Excessive noise
  - Vibrations or vehicular traffic
  - Excessive accumulations of trash
  - Vermin or rodent infestation, and
  - Fire hazards.

The housing quality standards applicable to lead-based paint do not apply.

**PART IV: SHARED HOUSING**  
[24 CFR 982.615 through 982.618]

**15-IV.A. OVERVIEW**

Shared housing is a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family.

An assisted family may share a unit with other persons assisted under the HCV program or with other unassisted persons. The owner of a shared housing unit may reside in the unit, but housing assistance may not be paid on behalf of the owner. The resident owner may not be related by blood or marriage to the assisted family.

If approved by the PHA, a live-in aide may reside with the family to care for a person with disabilities. The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

When providing HCV assistance in shared housing, a separate lease and HAP contract are executed for each assisted family, and the standard form of the HAP contract is used.

**15-IV.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION**

The payment standard for a family in shared housing is the lower of the payment standard for the family unit size or the prorata share of the payment standard for the shared housing unit size.

The prorata share is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private space by the total number of bedrooms in the unit.

The HAP for a family in shared housing is the lower of the payment standard minus the TTP or the gross rent minus the TTP. The utility allowance for an assisted family living in shared housing is the prorata share of the utility allowance for the shared housing unit.

The rents paid for families living in shared housing are subject to generally applicable standards for rent reasonableness. The rent paid to the owner for the assisted family must not exceed the pro-rata portion of the reasonable rent for the shared unit. In determining reasonable rent, the PHA should consider whether sanitary and food preparation areas are private or shared.

## **15-IV.C. HOUSING QUALITY STANDARDS**

The PHA may not give approval to reside in shared housing unless the entire unit, including the portion of the unit available for use by the assisted family under its lease, meets the housing quality standards.

HQS requirements described in Chapter 8 apply to shared housing except for the requirements stated below.

- *Facilities Available for the Family*: Facilities available to the assisted family, whether shared or private, must include a living room, a bathroom, and food preparation and refuse disposal facilities.
- *Space and Security*: The entire unit must provide adequate space and security for all assisted and unassisted residents. The private space for each assisted family must contain at least one bedroom for each two persons in the family. The number of bedrooms in the private space of an assisted family must not be less than the family unit size. A zero-bedroom or one-bedroom unit may not be used for shared housing.

**PART V: COOPERATIVE HOUSING**  
[24 CFR 982.619]

**15-V.A. OVERVIEW**

This part applies to rental assistance for a cooperative member residing in cooperative housing. It does not apply to assistance for a cooperative member who has purchased membership under the HCV homeownership option, or to rental assistance for a family that leases a cooperative housing unit from a cooperative member.

A cooperative is a form of ownership (nonprofit corporation or association) in which the residents purchase memberships in the ownership entity. Rather than being charged “rent” a cooperative member is charged a “carrying charge.”

When providing HCV assistance in cooperative housing, the standard form of the HAP contract is used.

**15-V.B. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION**

The payment standard and utility allowance are determined according to regular HCV program requirements.

The HAP for a cooperative housing unit is the lower of the payment standard minus the TTP or the monthly carrying charge for the unit, plus any utility allowance, minus the TTP. The monthly carrying charge includes the member’s share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. The carrying charge does not include down payments or other payments to purchase the cooperative unit or to amortize a loan made to the family for this purpose.

**15-V.C. HOUSING QUALITY STANDARDS**

All standard HQS requirements apply to cooperative housing units. There are no additional HQS requirements.

## **PART VI: MANUFACTURED HOMES**

[24 CFR 982.620 through 982.624]

### **15-VI.A. OVERVIEW**

A manufactured home is a manufactured structure, transportable in one or more parts, that is built on a permanent chassis, and designed for use as a principal place of residence. HCV-assisted families may occupy manufactured homes in two different ways.

(1) A family can choose to rent a manufactured home already installed on a space and the PHA must permit it. In this instance program rules are the same as when a family rents any other residential housing, except that there are special HQS requirements as provided in 15-VI.D below.

(2) HUD also permits an otherwise eligible family that owns a manufactured home to rent a space for the manufactured home and receive HCV assistance with the rent for the space. PHAs may, but are not required to, provide assistance for such families.

### **15-VI.B. SPECIAL POLICIES FOR MANUFACTURED HOME OWNERS WHO LEASE A SPACE**

#### **Family Income**

In determining the annual income of families leasing manufactured home spaces, the value of the family's equity in the manufactured home in which the family resides is not counted as a family asset.

#### **Lease and HAP Contract**

There is a separate Tenancy Addendum (Form 52642-a) and separate HAP Contract (Form 52642) for this special housing type.

## **15-VI.C. PAYMENT STANDARD, UTILITY ALLOWANCE AND HAP CALCULATION**

### **Payment Standards**

The FMR for a manufactured home space is generally 40 percent of the published FMR for a two-bedroom unit or, where approved by HUD, the 40th percentile of the rental distribution of manufactured home spaces for the FMR area. The PHA may establish a payment standard for manufactured home spaces that is between 90-110 percent of the FMR for manufactured home spaces.

### **Utility Allowance**

The PHA must establish utility allowances for manufactured home space rental. For the first 12 months of the initial lease term only, the allowance must include an amount for a utility hook-up charge if the family actually incurred a hook-up charge because of a move. This allowance will not be given to a family that leases in place. Utility allowances for manufactured home space must not include the costs of digging a well or installing a septic system.

### **Space Rent**

The space rent is the sum of the rent to the owner for the manufactured home space, any charges for maintenance and management provided by the owner, and the utility allowance for tenant-paid utilities.

### **Housing Assistance Payment**

The HAP for a manufactured home space under the housing choice voucher program is the lower of the payment standard minus the TTP or the (gross) manufactured home space rent minus the TTP.

### **Rent Reasonableness**

Initially, and annually thereafter the PHA must determine that the rent for the manufactured home space is reasonable based on rents for comparable manufactured home spaces. The PHA must consider the location and size of the space, and any services and maintenance to be provided by the owner. By accepting the monthly HAP check, the owner certifies that the rent does not exceed rents charged by the owner for comparable unassisted spaces in the manufactured home park or elsewhere.

## **15-VI.D. HOUSING QUALITY STANDARDS**

Under either type of occupancy described in 15-VI.A above, the manufactured home must meet all HQS performance requirements and acceptability criteria discussed in Chapter 8 of this plan. In addition, the following requirement applies:

### ***Manufactured Home Tie-Down***

A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage. The home must be securely anchored by a tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist overturning and sliding.

**PART VII: HOMEOWNERSHIP**  
[24 CFR 982.625 through 982.643]

**15-VII.A. OVERVIEW [24 CFR 982.625]**

The homeownership option is used to assist a family residing in a home purchased and owned by one or more members of the family. A family assisted under this option may be newly admitted or an existing participant in the HCV program. The PHA must have the capacity to operate a successful HCV homeownership program as defined by the regulations.

PHA Policy

The PHA has instituted a minimum homeowner down payment requirement of at least three percent of the purchase price, and requires that at least one percent of the purchase price come from the family's personal resources. FSS escrow monies will be considered as the family's personal resource.

There are two forms of homeownership assistance a PHA may offer under this option: monthly homeownership assistance payments, or a single down payment assistance grant. PHAs may choose to offer either or both forms of homeownership assistance, or choose not to offer either. If a PHA offers both forms of assistance, a family must choose which form of assistance to receive.

PHA Policy

The PHA will offer the monthly homeownership assistance payments to qualified families. The number of homeownership vouchers in use is limited to 35 at any given time.

The PHA must offer either form of homeownership assistance if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities. It is the sole responsibility of the PHA to determine whether it is reasonable to implement a homeownership program as a reasonable accommodation. The PHA must determine what is reasonable based on the specific circumstances and individual needs of the person with a disability. The PHA may determine that it is not reasonable to offer homeownership assistance as a reasonable accommodation in cases where the PHA has otherwise opted not to implement a homeownership program.

The PHA must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

## **15-VII.B. FAMILY ELIGIBILITY [24 CFR 982.627]**

The family must meet all of the requirements listed below before the commencement of homeownership assistance. The PHA may also establish additional initial requirements as long as they are described in the PHA administrative plan.

- The family must have been admitted to the Housing Choice Voucher program.
- The family must qualify as a first-time homeowner, or may be a cooperative member.
- The family must meet the Federal minimum income requirement. The family must have a gross annual income equal to the Federal minimum wage multiplied by 2000, based on the income of adult family members who will own the home. The PHA may establish a higher income standard for families. However, a family that meets the federal minimum income requirement (but not the PHA's requirement) will be considered to meet the minimum income requirement if it can demonstrate that it has been pre-qualified or pre-approved for financing that is sufficient to purchase an eligible unit.

### PHA Policy

The PHA will not establish a higher minimum income standard for disabled and/or non-disabled families.

- For disabled families, the minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
- For elderly or disabled families, welfare assistance payments for adult family members who will own the home will be included in determining whether the family meets the minimum income requirement. It will not be included for other families.
- The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (the term 'full-time employment' means not less than an average of 30 hours per week); and has been continuously so employed during the year before commencement of homeownership assistance for the family.

### PHA Policy

Families will be considered “continuously employed” if the break in employment does not exceed four months.

The PHA will count self-employment in a business when determining whether the family meets the employment requirement.

- The employment requirement does not apply to elderly and disabled families. In addition, if a family, other than an elderly or disabled family includes a person with disabilities, the PHA must grant an exemption from the employment requirement if the PHA determines that it is needed as a reasonable accommodation.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option

- Except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance, no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- Except for cooperative members who have acquired cooperative membership shares prior to the commencement of homeownership assistance, the family has entered a contract of sale in accordance with 24 CFR 982.631(c).

#### PHA Policy

The PHA will impose additional eligibility requirements. To be eligible to participate in the homeownership option, families must meet the following criteria:

The family must participate and meet the graduation requirements for the Family Self-Sufficiency (FSS) Program.

The family does not owe money to the PHA.

The family has not committed any serious or repeated violations of a PHA-assisted lease within the past year.

### **15-VII.C. SELECTION OF FAMILIES [24 CFR 982.626]**

Unless otherwise provided (under the homeownership option), the PHA may limit homeownership assistance to families or purposes defined by the PHA, and may prescribe additional requirements for commencement of homeownership assistance for a family. Any such limits or additional requirements must be described in the PHA administrative plan.

If the PHA limits the number of families that may participate in the homeownership option, the PHA must establish a system by which to select families to participate.

#### PHA Policy

The PHA will administer up to 35 homeownership units at any given time. The PHA may exceed the number of units planned per year if it is necessary as a reasonable accommodation for a person with a disability.

All families must meet eligibility requirements as defined in Section 15-VII.B. of this plan.

## **15-VII.D. ELIGIBLE UNITS [24 CFR 982.628]**

In order for a unit to be eligible, the PHA must determine that the unit satisfies all of the following requirements:

- The unit must meet HUD's "eligible housing" requirements. The unit may not be any of the following:
  - A public housing or Indian housing unit;
  - A unit receiving Section 8 project-based assistance;
  - A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
  - A college or other school dormitory;
  - On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
- The unit must be under construction or already exist at the time the family enters into the contract of sale.
- The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
- The unit must have been inspected by the PHA and by an independent inspector designated by the family.
- The unit must meet Housing Quality Standards (see Chapter 8).
- For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.
- For PHA-owned units all of the following conditions must be satisfied:
  - The PHA informs the family, both orally and in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering;
  - The unit is not ineligible housing;
  - The PHA obtains the services of an independent agency to inspect the unit for compliance with HQS, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any PHA provided financing. All of these actions must be completed in accordance with program requirements.

The PHA must not approve the unit if the PHA has been informed that the seller is debarred, suspended, or subject to a limited denial of participation.

**15-VI.E. ADDITIONAL PHA REQUIREMENTS FOR SEARCH AND PURCHASE  
[24 CFR 982.629]**

It is the family's responsibility to find a home that meets the criteria for voucher homeownership assistance. The PHA may establish the maximum time that will be allowed for a family to locate and purchase a home, and may require the family to report on their progress in finding and purchasing a home. If the family is unable to purchase a home within the maximum time established by the PHA, the PHA may issue the family a voucher to lease a unit or place the family's name on the waiting list for a voucher.

PHA Policy

HACSA has limited the length of time a family has to purchase a new home with the Homeownership program in the following ways:

New clients will be put on a wait list after completing the program eligibility prerequisites.

Clients with a pre-approval letter will move to the top of the list and will have two years to purchase a home. If they have not purchased a home in this time frame, they will go to the bottom of the list.

If all 35 S8 HO vouchers are taken, when one becomes available the clients at the top of the list will have 6 months to find a home or they will go to the bottom of the list.

## **15-VII.F. HOMEOWNERSHIP COUNSELING [24 CFR 982.630]**

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling program required by the PHA. HUD suggests the following topics for the PHA-required pre-assistance counseling:

- Home maintenance (including care of the grounds);
- Budgeting and money management;
- Credit counseling;
- How to negotiate the purchase price of a home;
- How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
- How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction;
- Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
- Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
- Information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.) (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

The PHA may adapt the subjects covered in pre-assistance counseling (as listed) to local circumstances and the needs of individual families.

The PHA may also offer additional counseling after commencement of homeownership assistance (ongoing counseling). If the PHA offers a program of ongoing counseling for participants in the homeownership option, the PHA shall have discretion to determine whether the family is required to participate in the ongoing counseling.

If the PHA does not use a HUD-approved housing counseling agency to provide the counseling, the PHA should ensure that its counseling program is consistent with the counseling provided under HUD's Housing Counseling program.

### PHA Policy

If required by the PHA, families must attend and complete post-purchase ongoing homeownership counseling.

## **15-VII.G. HOME INSPECTIONS, CONTRACT OF SALE, AND PHA DISAPPROVAL OF SELLER [24 CFR 982.631]**

### **Home Inspections**

The PHA may not commence monthly homeownership assistance payments or provide down payment assistance grants for a family until the PHA has inspected the unit and has determined that the unit passes HQS.

#### PHA Policy

When the family locates a home they wish to purchase and submits a copy of their purchase offer/contract, the PHA will conduct a housing quality standards (HQS) inspection within 10 business days. Any items found not to meet HQS must be repaired before the unit can be determined eligible for the homeownership program.

An independent professional inspector selected by and paid for by the family must also inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

The PHA may not require the family to use an independent inspector selected by the PHA. The independent inspector may not be a PHA employee or contractor, or other person under control of the PHA. However, the PHA may establish standards for qualification of inspectors selected by families under the homeownership option.

#### PHA Policy

The family must hire an independent professional inspector, whose report must be submitted to the PHA for review. This inspector must be a member of the American Society of Home Inspectors (ASHI) or other recognized professional society, or a licensed engineer. The inspector may not be a PHA employee.

The PHA may disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS.

#### PHA Policy

The PHA will review the professional report in a timely fashion and, based on the presence of major physical problems, may disapprove the purchase of the home.

If the PHA disapproves the purchase of a home, the family will be notified in writing of the reasons for the disapproval.

For families starting the program effective January 1, 2017 or later, the PHA will conduct an HQS inspection semi-annually while the family is receiving homeownership assistance.

## **Contract of Sale**

Before commencement of monthly homeownership assistance payments or receipt of a down payment assistance grant, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the PHA a copy of the contract of sale. The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser;
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR part 24.

## **Disapproval of a Seller**

In its administrative discretion, the PHA may deny approval of a seller for the same reasons a PHA may disapprove an owner under the regular HCV program [see 24 CFR 982.306(c)].

## **15-VII.H. FINANCING [24 CFR 982.632]**

The PHA may establish requirements for financing purchase of a home under the homeownership option. This may include requirements concerning qualification of lenders, terms of financing, restrictions concerning debt secured by the home, lender qualifications, loan terms, and affordability of the debt. The PHA must establish policies describing these requirements in the administrative plan.

A PHA may not require that families acquire financing from one or more specified lenders, thereby restricting the family's ability to secure favorable financing terms.

### PHA Policy

As a check against predatory lending, the PHA will review the financing of each purchase transaction, including estimated closing costs. The PHA will review the loans for features, such as balloon payments, adjustable rate mortgages, and unusually high interest rates, all of which are prohibited. The PHA also will not approve "seller financing" or "owner-held" mortgages. Beyond these basic criteria, the PHA will rely on the lenders to determine that the loan will be affordable to program participants.

The mortgage the family applies for must require a minimum down payment of at least 3% of the sales price with 1% of the down payment coming from the purchaser's personal funds. The PHA will not require that the family have any more than the minimum of 1% of their own money in the transaction. However, in cases where a lender is requiring a larger amount, the family may be held to the underwriting guidelines set by their lending institution.

The PHA will approve a family's request to utilize its Family Self-Sufficiency escrow account for down payment and/or closing costs when purchasing a unit under the HCV homeownership option.

## **15-VII.I. CONTINUED ASSISTANCE REQUIREMENTS; FAMILY OBLIGATIONS [24 CFR 982.633]**

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the PHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the PHA the homeownership assistance for the month when the family moves out.

Before commencement of homeownership assistance, the family must execute a statement in which the family agrees to comply with all family obligations under the homeownership option.

The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
- The family may not convey or transfer ownership of the home, except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member. Use and occupancy of the home are subject to 24 CFR 982.551 (h) and (i).
- The family must supply information to the PHA or HUD as specified in 24 CFR 982.551(b). The family must further supply any information required by the PHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The family must notify the PHA before moving out of the home.
- The family must notify the PHA if the family defaults on the mortgage used to purchase the home.
- No family member may have any ownership interest in any other residential property.
- The family must comply with the obligations of a participant family described in 24 CFR 982.551, except for the following provisions which do not apply to assistance under the homeownership option: 24 CFR 982.551(c), (d), (e), (f), (g) and (j).

### PHA Policy

Effective with new homeownership clients starting the program January 1, 2017 or later, homeownership clients are required to meet with their designated Housing Specialist in an in-person interview annually, either at the HACSA office or in the client's home. At this meeting the family must provide documentation of money spent on home repairs or provide documentation showing that they are saving at least the amount of their monthly maintenance/repair allowance.

For new clients starting the program effective January 1, 2017 or later, inspections will be done on a semi-annual basis. Results of this inspection will be discussed with the client at an annual meeting with agency staff that will be scheduled within two weeks of the inspection. The family will be encouraged to make necessary repairs, and potential budgeting and access to community resources to assist with repairs will be discussed at this meeting. Clients will not be required to do repairs as a condition for ongoing assistance.

#### **15-VII.J. MAXIMUM TERM OF HOMEOWNER ASSISTANCE [24 CFR 982.634]**

Except in the case of a family that qualifies as an elderly or disabled family, other family members (described below) shall not receive homeownership assistance for more than:

- Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
- Ten years, in all other cases.

The maximum term described above applies to any member of the family who:

- Has an ownership interest in the unit during the time that homeownership payments are made; or
- Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

## **15-VII.K. HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES [24 CFR 982.635]**

The monthly homeownership assistance payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment.

In determining the amount of the homeownership assistance payment, the PHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described elsewhere in this plan for the Housing Choice Voucher program. The payment standard for a family is the greater of (i) The payment standard as determined at the commencement of homeownership assistance for occupancy of the home, or (ii) The payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

The PHA may pay the homeownership assistance payments directly to the family, or at the PHA's discretion, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

### PHA Policy

The PHA's housing assistance payment will be paid directly to the lender. If the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, a PHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

### PHA Policy

In order for the PHA to consider granting relief from the requirement to automatically terminate homeownership assistance 180 days following the PHA's last housing assistance payment on behalf of the family, the family must submit a request to the PHA at least 30 days prior to the date of automatic termination. The request must include an explanation of the circumstances that will cause an extreme hardship for the family (e.g., the imminent loss of income or employment) as well as documentation supporting the request. The PHA will determine on a case-by-case basis whether to grant relief from the requirement and for what period of time. In no case will the PHA postpone termination beyond an additional 90 days.

The PHA must adopt policies for determining the amount of homeownership expenses to be allowed by the PHA in accordance with HUD requirements.

Homeownership expenses (not including cooperatives) only include amounts allowed by the PHA to cover:

- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
- Real estate taxes and public assessments on the home;
- Home insurance;
- The PHA allowance for maintenance expenses;
- The PHA allowance for costs of major repairs and replacements;
- The PHA utility allowance for the home;
- Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person;
- Land lease payments where a family does not own fee title to the real property on which the home is located; [see 24 CFR 982.628(b)].
- For a condominium unit, condominium operating charges or maintenance fees assessed by the condominium homeowner association.

Homeownership expenses for a cooperative member may only include amounts allowed by the PHA to cover:

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
- Home insurance;
- The PHA allowance for maintenance expenses;
- The PHA allowance for costs of major repairs and replacements;
- The PHA utility allowance for the home; and
- Principal and interest on debt incurred to finance major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the PHA determines that allowance of such costs as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.

- Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

PHA Policy

The PHA will allow the following homeownership expenses as of January 1, 2017 (at annual reexamination for all currently participating families, and at initial commencement of homeownership for all newly participating families):

The PHA calculates the monthly maintenance, major repair and replacement allowance as .5 percent of assessed tax value divided by 12.

The assessed tax value is determined by the county tax assessor on an annual basis by November each year.

All clients will be notified of their monthly maintenance, repair and replacement allowance amount after their annual recertification paperwork is completed.

## **15-VIII. PORTABILITY [24 CFR 982.636, 982.637, 982.353(b) and (c), 982.552, 982.553]**

Subject to the restrictions on portability included in HUD regulations and PHA policies, a family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program, or bill the initial PHA.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

### PHA Policy

The PHA issues transfer vouchers for 120 days.

## **15-VII.M. MOVING WITH CONTINUED ASSISTANCE [24 CFR 982.637]**

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

The PHA may deny permission to move to a new unit with continued voucher assistance:

- If the PHA has insufficient funding to provide continued assistance.
- In accordance with 24 CFR 982.638, regarding denial or termination of assistance. In this case, the PHA must provide written notification to the local HUD Office within 10 business days of determining it is necessary to deny moves based on insufficient funding.
- In accordance with the PHA's policy regarding number of moves within a 12-month period.

The PHA must deny the family permission to move to a new unit with continued voucher rental assistance if:

- The family defaulted on an FHA-insured mortgage; and
- The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.

### PHA Policy

For families participating in the homeownership option, requests to move will be approved and/or denied in accordance with PHA policies in Chapter 10.

The PHA will not require additional counseling of any families who move with continued assistance.

## **15-VII.N. DENIAL OR TERMINATION OF ASSISTANCE [24 CFR 982.638]**

At any time, the PHA may deny or terminate homeownership assistance in accordance with HCV program requirements in 24 CFR 982.552 (Grounds for denial or termination of assistance) or 24 CFR 982.553 (Crime by family members).

The PHA may also deny or terminate assistance for violation of participant obligations described in 24 CFR Parts 982.551 or 982.633 and in accordance with its own policy.

The PHA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

### PHA Policy

The PHA will terminate a family's homeownership assistance if the family violates any of the homeowner obligations listed in Section 1, as well as for any of the reasons listed in Section 2 of form HUD-52649, Statement of Homeowner Obligations Housing Choice Homeownership Voucher Program.

In making its decision to terminate homeownership assistance, the PHA will consider alternatives as described in Section 12-II.C and other factors described in Section 12-II.D. Upon consideration of such alternatives and factors, the PHA may, on a case-by-case basis, choose not to terminate assistance.

Termination notices will be sent in accordance with the requirements and policies set forth in Section 12-II.F.



## Chapter 16

### PROGRAM ADMINISTRATION

#### INTRODUCTION

This chapter discusses administrative policies and practices that are relevant to the activities covered in this plan. The policies are discussed in seven parts as described below:

Part I: Administrative Fee Reserve. This part describes the PHA's policies with regard to oversight of expenditures from its administrative fee reserve.

Part II: Setting Program Standards and Schedules. This part describes what payment standards are, and how they are updated, as well as how utility allowances are established and revised.

Part III: Informal Reviews and Hearings. This part outlines the requirements and procedures for informal reviews and hearings, and for informal hearings regarding citizenship status.

Part IV: Owner or Family Debts to the PHA. This part describes policies for recovery of monies that the PHA has overpaid on behalf of families, or to owners, and describes the circumstances under which the PHA will offer repayment agreements to owners and families. Also discussed are the consequences for failure to make payments in accordance with a repayment agreement.

Part V: Section 8 Management Assessment Program (SEMAP). This part describes what the SEMAP scores represent, how they are established, and how those scores affect a PHA.

Part VI: Record-Keeping. All aspects of the program involve certain types of record-keeping. This part outlines the privacy rights of applicants and participants and record retention policies the PHA will follow.

Part VII: Reporting and Record Keeping for Children with Environmental Intervention Blood Lead Level. This part describes the PHA's responsibilities for reporting, data collection, and record keeping relative to children with environmental intervention blood lead levels that are less than six years of age, and are receiving HCV assistance.

Part VIII: Determination of Insufficient Funding. This part describes the PHA's policies for determining if there is sufficient funding to issue vouchers, to approve moves to higher cost units or areas, and to continue assistance for all participant families.

Part IX: Violence against Women Act (VAWA): Notification, Documentation, Confidentiality. This part contains key terms used in VAWA and describes requirements related to notifying families and owners about their rights and responsibilities under VAWA; requesting documentation from victims of domestic violence, dating violence, sexual assault, and stalking; and maintaining the confidentiality of information obtained from victims.

## **PART I: ADMINISTRATIVE FEE RESERVE [24 CFR 982.155]**

The PHA will maintain administrative fee reserves, or unrestricted net position (UNP) for the program to pay program administrative expenses in excess of administrative fees paid by HUD for a PHA fiscal year. HUD appropriations acts beginning with FFY 2004 have specified that administrative fee funding may be used only for activities related to the provision of HCV assistance, including related development activities. Notice PIH 2012-9 cites two examples of related development activities: unit modification for accessibility purposes and development of project-based voucher units. The notice makes clear that other activities may also qualify as related development activities. Administrative fees that remain in the UNP account from funding provided prior to 2004 may be used for “other housing purposes permitted by state and local law,” in accordance with 24 CFR 982.155(b)(1).

If a PHA has not adequately administered its HCV program, HUD may prohibit use of funds in the UNP Account and may direct the PHA to use funds in that account to improve administration of the program, for HCV HAP expenses, or to reimburse ineligible expenses in accordance with the regulation at 24 CFR 982.155(b)(3).

HUD requires the PHA Board of Commissioners or other authorized officials to establish the maximum amount that may be charged against the UNP account without specific approval.

### PHA Policy

Expenditures from the UNP account will be made in accordance with all applicable federal requirements. Expenditures will not exceed \$100,000 per occurrence without the prior approval of the PHA’s Board of Commissioners.

## PART II: SETTING PROGRAM STANDARDS AND SCHEDULES

### 16-II.A. OVERVIEW

Although many of the program's requirements are established centrally by HUD, the HCV program's regulations recognize that some flexibility is required to allow the PHA to adapt the program to local conditions. This part discusses how the PHA establishes and updates certain schedules and standards that are used to administer the program locally. Details about how these schedules are applied to individual families are provided in other chapters. The schedules and standards discussed here include:

- *Payment Standards*, which dictate the maximum subsidy a family can receive (application of the payment standards is discussed in Chapter 6); and
- *Utility Allowances*, which specify how a family's payment should be adjusted to account for tenant-paid utilities (application of utility allowances is discussed in Chapter 6).

#### PHA Policy

Copies of the payment standard and utility allowance schedules are available for review in the PHA's offices during normal business hours.

Families, owners, and members of the public may submit written comments on the schedules discussed in this part, at any time, for consideration during the next revision cycle.

The PHA will maintain documentation to support its annual review of payment standards and utility allowance schedules. This documentation will be retained for at least 3 years.

Establishing and updating the PHA passbook rate, which is used to calculate imputed income from assets, is covered in Chapter 6 (see Section 6-I.G.).

### 16-II.B. PAYMENT STANDARDS [24 CFR 982.503; HCV GB, Chapter 7]

The payment standard sets the maximum subsidy payment a family can receive from the PHA each month [24 CFR 982.505(a)]. Payment standards are based on fair market rents (FMRs) published annually by HUD. FMRs are set at a percentile within the rent distribution of standard quality rental housing units in each FMR area. For most jurisdictions FMRs are set at the 40th percentile of rents in the market area.

The PHA must establish a payment standard schedule that establishes payment standard amounts for each FMR area within the PHA's jurisdiction, and for each unit size within each of the FMR areas. For each unit size, the PHA may establish a single payment standard amount for the whole FMR area, or may set different payment standards for different parts of the FMR area. Unless HUD grants an exception, the PHA is required to establish a payment standard within a "basic range" established by HUD – between 90 and 110 percent of the published FMR for each unit size.

## Updating Payment Standards

When HUD updates its FMRs, the PHA must update its payment standards if the standards are no longer within the basic range [24 CFR 982.503(b)]. HUD may require the PHA to make further adjustments if it determines that rent burdens for assisted families in the PHA's jurisdiction are unacceptably high [24 CFR 982.503(g)].

### PHA Policy

The PHA will review the appropriateness of the payment standards on an annual basis when the new FMR is published, and at other times as determined necessary. In addition to ensuring the payment standards are always within the "basic range" the PHA will consider the following factors when determining whether an adjustment should be made to the payment standard schedule:

**Funding Availability:** The PHA will review the budget to determine the impact projected subsidy adjustments will have on funding available for the program and the number of families served. The PHA will compare the number of families who could be served under revised payment standard amounts with the number assisted under current payment standard amounts.

**Rent Burden of Participating Families:** Rent burden will be determined by identifying the percentage of families, for each unit size, that are paying more than 30 percent of their monthly adjusted income as the family share. When 40 percent or more of families, for any given unit size, are paying more than 30 percent of adjusted monthly income as the family share, the PHA will consider increasing the payment standard. In evaluating rent burdens, the PHA will not include families renting a larger unit than their family unit size.

**Quality of Units Selected:** The PHA will review the quality of units selected by participant families when making the determination of the percent of income families are paying for housing, to ensure that payment standard increases are only made when needed to reach the mid-range of the market.

**Changes in Rent to Owner:** The PHA may review a sample of the units to determine how often owners are increasing or decreasing rents and the average percent of increases/decreases by bedroom size.

**Unit Availability:** The PHA will review the availability of units for each unit size, particularly in areas with low concentrations of poor and minority families.

**Lease-up Time and Success Rate:** The PHA will consider the percentage of families that are unable to locate suitable housing before the voucher expires and whether families are leaving the jurisdiction to find affordable housing.

Changes to payment standard amounts will be effective on December 1<sup>st</sup> of every year unless, based on the proposed FMRs, it appears that one or more of the PHA's current payment standard amounts will be outside the basic range when the final FMRs are published. In that case, the PHAs payment standards will be effective October 1<sup>st</sup> instead of December 1<sup>st</sup>.

If the PHA has already processed reexaminations that will be effective on or after October 1<sup>st</sup>, and the effective date of the payment standards is October 1<sup>st</sup>, the PHA will make retroactive adjustments to any such reexaminations if the new payment standard amount is higher than the one used by the PHA at the time the reexamination was originally processed.

### **Exception Payment Standards [982.503(c)]**

The PHA must request HUD approval to establish payment standards that are higher than the basic range. At HUD's sole discretion, HUD may approve a payment standard amount that is higher than the basic range for a designated part of the FMR area. HUD may approve an exception payment standard amount (in accordance with program requirements) for all units, or for all units of a given size, leased by program families in the exception area. Any PHA with jurisdiction in the exception area may use the HUD-approved exception payment standard amount. The total population of all HUD-approved exception areas in an FMR area may not include more than 50 percent of the population of the FMR area.

### **Unit-by-Unit Exceptions [24 CFR 982.503(b), 24 CFR 982.505(d), Notice PIH 2010-26]**

Unit-by-unit exceptions to the PHA's payment standards generally are not permitted. However, an exception may be made as a reasonable accommodation for a family that includes a person with disabilities. (See Chapter 2 for a discussion of reasonable accommodations.) This type of exception does not affect the PHA's payment standard schedule.

When needed as a reasonable accommodation, the PHA may make an exception to the payment standard without HUD approval if the exception amount does not exceed 120 percent of the applicable FMR for the unit size [24 CFR 982.503(b)]. The PHA may request HUD approval for an exception to the payment standard for a particular family if the required amount exceeds 120 percent of the FMR.

#### PHA Policy

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

There is a shortage of affordable units that would be appropriate for the family;

The family's TTP would otherwise exceed 40 percent of adjusted monthly income; and

The rent for the unit is reasonable.

### **"Success Rate" Payment Standard Amounts [24 CFR 982.503(e)]**

If a substantial percentage of families have difficulty finding a suitable unit, the PHA may request a "success rate payment standard" that applies to the entire jurisdiction. If approved by HUD, a success rate payment standard allows the PHA to set its payment standards at 90-110 percent of a higher FMR (the 50<sup>th</sup>, rather than the 40<sup>th</sup> percentile FMR). To support the request, the PHA must demonstrate that during the most recent 6-month period for which information is available:

- Fewer than 75 percent of families who were issued vouchers became participants;
- The PHA had established payment standards for all unit sizes, and for the entire jurisdiction, at 110 percent of the published FMR; and
- The PHA had a policy of allowing voucher holders who made sustained efforts to locate units at least 90 days to search for a unit.

Although HUD approves the success rate payment standard for all unit sizes in the FMR area, the PHA may choose to adjust the payment standard for only some unit sizes in all, or a designated part, of the PHA's jurisdiction within the FMR area.

### **Decreases in the Payment Standard below the Basic Range [24 CFR 982.503(d)]**

The PHA must request HUD approval to establish a payment standard amount that is lower than the basic range. At HUD's sole discretion, HUD may approve establishment of a payment standard lower than the basic range. HUD will not approve a lower payment standard if the family share for more than 40 percent of program participants exceeds 30 percent of adjusted monthly income.

## **16-II.C. UTILITY ALLOWANCES [24 CFR 982.517]**

A PHA-established utility allowance schedule is used in determining family share and PHA subsidy. The PHA must maintain a utility allowance schedule for (1) all tenant-paid utilities, (2) the cost of tenant-supplied refrigerators and ranges, and (3) other tenant-paid housing services such as trash collection.

The utility allowance schedule must be determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, the PHA must use normal patterns of consumption for the community as a whole, and current utility rates.

The utility allowance must include the utilities and services that are necessary in the locality to provide housing that complies with housing quality standards. Costs for telephone, cable/satellite television, and internet services are not included in the utility allowance schedule.

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

The cost of each utility and housing service must be stated separately by unit size and type. Chapter 18 of the *HCV Guidebook* provides detailed guidance to the PHA about establishing utility allowance schedules.

### **Air Conditioning**

An allowance for air-conditioning must be provided when the majority of housing units in the market have central air-conditioning or are wired for tenant-installed air conditioners.

#### PHA Policy

The PHA has not included an allowance for air-conditioning in its schedule. Central air-conditioning or a portable air conditioner is not a common practice in Lane County.

### **Reasonable Accommodation**

HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the PHA's schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability. For example, if a family member with a disability requires such an accommodation, the PHA will approve an allowance for air-conditioning, even if the PHA has determined that an allowance for air-conditioning generally is not needed (See Chapter 2 for policies regarding the request and approval of reasonable accommodations).

### **Utility Allowance Revisions**

The PHA must review its schedule of utility allowances each year, and must revise the schedule if there has been a change of 10 percent or more in any utility rate since the last time the allowance for that utility was revised.

The PHA must maintain information supporting its annual review of utility allowance and any revisions made in its utility allowance schedule.



## **PART III: INFORMAL REVIEWS AND HEARINGS**

### **16-III.A. OVERVIEW**

Both applicants and participants have the right to disagree with, and appeal, certain decisions of the PHA that may adversely affect them. PHA decisions that may be appealed by applicants and participants are discussed in this section.

The process for applicant appeals of PHA decisions is called the “informal review.” For participants (or applicants denied admission because of citizenship issues), the appeal process is called an “informal hearing.” PHAs are required to include informal review procedures for applicants and informal hearing procedures for participants in their administrative plans [24 CFR 982.54(d)(12) and (13)].

### **16-III.B. INFORMAL REVIEWS**

Informal reviews are provided for program applicants. An applicant is someone who has applied for admission to the program, but is not yet a participant in the program. Informal reviews are intended to provide a “minimum hearing requirement” [24 CFR 982.554], and need not be as elaborate as the informal hearing requirements [*Federal Register* 60, no. 127 (3 July 1995): 34690].

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

The PHA must give an applicant the opportunity for an informal review of a decision denying assistance [24 CFR 982.554(a)]. Denial of assistance may include any or all of the following [24 CFR 982.552(a)(2)]:

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

Informal reviews are *not* required for the following reasons [24 CFR 982.554(c)]:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- A determination of the family unit size under the PHA subsidy standards
- A PHA determination not to approve an extension or suspension of a voucher term
- A PHA determination not to grant approval of the tenancy
- A PHA determination that the unit is not in compliance with the HQS
- A PHA determination that the unit is not in accordance with the HQS due to family size or composition

### PHA Policy

The PHA will only offer an informal review to applicants for whom assistance is being denied. Denial of assistance includes: denying listing on the PHA waiting list; denying or withdrawing a voucher; refusing to enter into a HAP contract or approve a lease; refusing to process or provide assistance under portability procedures.

### **Notice to the Applicant [24 CFR 982.554(a)]**

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

### **Scheduling an Informal Review**

#### PHA Policy

A request for an informal review must be made in writing or verbally and delivered to the PHA either in person or by first class mail, by the close of the business day, no later than 14 business days from the date of the PHA's denial of assistance.

The PHA must schedule and send written notice of the informal review within 14 business days of the family's request.

### **Informal Review Procedures [24 CFR 982.554(b)]**

The informal review must be conducted by a person other than the one who made or approved the decision under review, or a subordinate of this person.

The applicant must be provided an opportunity to present written or oral objections to the decision of the PHA.

## **Informal Review Decision [24 CFR 982.554(b)]**

The PHA must notify the applicant of the PHA's final decision, including a brief statement of the reasons for the final decision.

### PHA Policy

In rendering a decision, the PHA will evaluate the following matters:

Whether or not the grounds for denial were stated factually in the notice to the family.

The validity of the grounds for denial of assistance. If the grounds for denial are not specified in the regulations, then the decision to deny assistance will be overturned.

The validity of the evidence. The PHA will evaluate whether the facts presented prove the grounds for denial of assistance. If the facts prove that there are grounds for denial, and the denial is required by HUD, the PHA will uphold the decision to deny assistance.

If the facts prove the grounds for denial, and the denial is discretionary, the PHA will consider the recommendation of the person conducting the informal review in making the final decision whether to deny assistance.

The PHA will notify the applicant of the final decision, including a statement explaining the reason(s) for the decision. The notice will be sent by first-class mail. The applicant and his or her representative, if any, will be mailed the original "Notice" within 14 business days of the informal review, and a copy of the "Notice" will be maintained in the PHA's file.

If the decision to deny is overturned as a result of the informal review, processing for admission will resume.

If the family fails to appear for their informal review, the denial of admission will stand and the family will be so notified.

### **16-III.C. INFORMAL HEARINGS FOR PARTICIPANTS [24 CFR 982.555]**

PHAs must offer an informal hearing for certain PHA determinations relating to the individual circumstances of a participant family. A participant is defined as a family that has been admitted to the PHA's HCV program and is currently assisted in the program. The purpose of the informal hearing is to consider whether the PHA's decisions related to the family's circumstances are in accordance with the law, HUD regulations and PHA policies.

The PHA is not permitted to terminate a family's assistance until the time allowed for the family to request an informal hearing has elapsed, and any requested hearing has been completed. Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a lease
- Terminating housing assistance payments under an outstanding HAP contract
- Refusing to process or provide assistance under portability procedures

#### **Decisions Subject to Informal Hearing**

Circumstances for which the PHA must give a participant family an opportunity for an informal hearing are as follows:

- A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment
- A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the PHA utility allowance schedule
- A determination of the family unit size under the PHA's subsidy standards
- A determination to terminate assistance for a participant family because of the family's actions or failure to act
- A determination to terminate assistance because the participant has been absent from the assisted unit for longer than the maximum period permitted under PHA policy and HUD rules
- A determination to terminate a family's Family Self Sufficiency contract, withhold supportive services, or propose forfeiture of the family's escrow account [24 CFR 984.303(i)]

Circumstances for which an informal hearing is not required are as follows:

- Discretionary administrative determinations by the PHA
- General policy issues or class grievances
- Establishment of the PHA schedule of utility allowances for families in the program
- A PHA determination not to approve an extension or suspension of a voucher term
- A PHA determination not to approve a unit or tenancy
- A PHA determination that a unit selected by the applicant is not in compliance with the HQS
- A PHA determination that the unit is not in accordance with HQS because of family size
- A determination by the PHA to exercise or not to exercise any right or remedy against an owner under a HAP contract

#### PHA Policy

The PHA will only offer participants the opportunity for an informal hearing when required to by the regulations.

## **Informal Hearing Procedures**

### ***Notice to the Family* [24 CFR 982.555(c)]**

When the PHA makes a decision that is subject to informal hearing procedures, the PHA must inform the family of its right to an informal hearing at the same time that it informs the family of the decision.

For decisions related to the family's annual or adjusted income, the determination of the appropriate utility allowance, and the determination of the family unit size, the PHA must notify the family that they may ask for an explanation of the basis of the determination, and that if they do not agree with the decision, they may request an informal hearing on the decision.

For decisions related to the termination of the family's assistance, or the denial of a family's request for an exception to the PHA's subsidy standards, the notice must contain a brief statement of the reasons for the decision, a statement that if the family does not agree with the decision, the family may request an informal hearing on the decision, and a statement of the deadline for the family to request an informal hearing.

#### PHA Policy

In cases where the PHA makes a decision for which an informal hearing must be offered, the notice to the family will include all of the following:

The proposed action or decision of the PHA.

A brief statement of the reasons for the decision, including the regulatory reference.

The date the proposed action will take place.

A statement of the family's right to an explanation of the basis for the PHA's decision.

A statement that if the family does not agree with the decision the family may request an informal hearing of the decision.

A deadline for the family to request the informal hearing.

To whom the hearing request should be addressed.

A copy of the PHA's hearing procedures.

### ***Scheduling an Informal Hearing* [24 CFR 982.555(d)]**

When an informal hearing is required, the PHA must proceed with the hearing in a reasonably expeditious manner upon the request of the family.

#### PHA Policy

A request for an informal hearing must be made orally or in writing and delivered to the PHA either in person or by first class mail, by the close of the business day, no later than 14 business days from the date of the PHA's decision or notice to terminate assistance.

The PHA must schedule and send written notice of the informal hearing to the family within 14 business days of the family's request.

The family may request to reschedule a hearing for good cause, or if it is needed as a reasonable accommodation for a person with disabilities. Good cause is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. Requests to reschedule a hearing must be made orally or in writing prior to the hearing date. At its discretion, the PHA may request documentation of the "good cause" prior to rescheduling the hearing.

If the family does not appear at the scheduled time, and was unable to reschedule the hearing in advance due to the nature of the conflict, the family must contact the PHA within 24 hours of the scheduled hearing date, excluding weekends and holidays. The PHA will reschedule the hearing only if the family can show good cause for the failure to appear, or if it is needed as a reasonable accommodation for a person with disabilities.

***Pre-Hearing Right to Discovery [24 CFR 982.555(e)]***

Participants and the PHA are permitted pre-hearing discovery rights. The family must be given the opportunity to examine before the hearing any PHA documents that are directly relevant to the hearing. The family must be allowed to copy any such documents at their own expense. If the PHA does not make the document available for examination on request of the family, the PHA may not rely on the document at the hearing.

The PHA hearing procedures may provide that the PHA must be given the opportunity to examine at the PHA offices before the hearing, any family documents that are directly relevant to the hearing. The PHA must be allowed to copy any such document at the PHA's expense. If the family does not make the document available for examination on request of the PHA, the family may not rely on the document at the hearing.

For the purpose of informal hearings, *documents* include records and regulations.

**PHA Policy**

The family will be allowed to copy any documents related to the hearing at a cost of \$.25 per page. The family must request discovery of PHA documents no later than 12:00 p.m. on the business day prior to the scheduled hearing date

The PHA must be given an opportunity to examine at the PHA offices before the hearing any family documents that are directly relevant to the hearing. Whenever a participant requests an informal hearing, the PHA will automatically mail a letter to the participant requesting a copy of all documents that the participant intends to present or utilize at the hearing. The participant must make the documents available no later than 12:00 pm on the business day prior to the scheduled hearing date.

***Participant's Right to Bring Counsel [24 CFR 982.555(e)(3)]***

At its own expense, the family may be represented by a lawyer or other representative at the informal hearing.

***Informal Hearing Officer [24 CFR 982.555(e)(4)]***

Informal hearings will be conducted by a person or persons approved by the PHA, other than the person who made or approved the decision or a subordinate of the person who made or approved the decision.

### ***Attendance at the Informal Hearing***

#### **PHA Policy**

Hearings may be attended by a hearing officer and the following applicable persons:

A PHA representative(s) and any witnesses for the PHA

The participant and any witnesses for the participant

The participant's counsel or other representative

Any other person approved by the PHA as a reasonable accommodation for a person with a disability

A language interpreter

### ***Conduct at Hearings***

The person who conducts the hearing may regulate the conduct of the hearing in accordance with the PHA's hearing procedures [24 CFR 982.555(4)(ii)].

#### **PHA Policy**

The hearing officer is responsible to manage the order of business and to ensure that hearings are conducted in a professional and businesslike manner. Attendees are expected to comply with all hearing procedures established by the hearing officer and guidelines for conduct. Any person demonstrating disruptive, abusive or otherwise inappropriate behavior will be excused from the hearing at the discretion of the hearing officer.

### ***Evidence [24 CFR 982.555(e)(5)]***

The PHA and the family must be given the opportunity to present evidence and question any witnesses. In general, all evidence is admissible at an informal hearing. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

#### PHA Policy

Any evidence to be considered by the hearing officer must be presented at the time of the hearing. There are four categories of evidence.

**Oral evidence:** the testimony of witnesses

**Documentary evidence:** a writing which is relevant to the case, for example, a letter written to the PHA. Writings include all forms of recorded communication or representation, including letters, words, pictures, sounds, videotapes or symbols or combinations thereof.

**Demonstrative evidence:** Evidence created specifically for the hearing and presented as an illustrative aid to assist the hearing officer, such as a model, a chart or other diagram.

**Real evidence:** A tangible item relating directly to the case.

*Hearsay Evidence* is evidence of a statement that was made other than by a witness while testifying at the hearing and that is offered to prove the truth of the matter. Even though evidence, including hearsay, is generally admissible, hearsay evidence alone cannot be used as the sole basis for the hearing officer's decision.

If either the PHA or the family fail to comply with the discovery requirements described above, the hearing officer will refuse to admit such evidence.

Other than the failure of a party to comply with discovery, the hearing officer has the authority to overrule any objections to evidence.

### ***Hearing Officer's Decision [24 CFR 982.555(e)(6)]***

The person who conducts the hearing must issue a written decision, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family must be based on a preponderance of evidence presented at the hearing. A copy of the hearing must be furnished promptly to the family.

#### PHA Policy

In rendering a decision, the hearing officer will consider the following matters:

**PHA Notice to the Family:** The hearing officer will determine if the reasons for the PHA's decision are factually stated in the Notice.

**Discovery:** The hearing officer will determine if the PHA and the family were given the opportunity to examine any relevant documents in accordance with PHA policy.

**PHA Evidence to Support the PHA Decision:** The evidence consists of the facts presented. Evidence is not conclusion and it is not argument. The hearing officer will evaluate the facts to determine if they support the PHA's conclusion.

**Validity of Grounds for Termination of Assistance (when applicable):** The hearing officer will determine if the termination of assistance is for one of the grounds specified in the HUD regulations and PHA policies. If the grounds for termination are not specified in the regulations or in compliance with PHA policies, then the decision of the PHA will be overturned.

The hearing officer will issue a written decision to the family and the PHA no later than 14 business days after the hearing. The report will contain the following information:

**Hearing information:**

- Name of the participant;
- Date, time and place of the hearing;
- Name of the hearing officer;
- Name of the PHA representative; and
- Name of family representative (if any).

**Background:** A brief, impartial statement of the reason for the hearing.

**Summary of the Evidence:** The hearing officer will summarize the testimony of each witness and identify any documents that a witness produced in support of his/her testimony and that are admitted into evidence.

**Findings of Fact:** The hearing officer will include all findings of fact, based on a preponderance of the evidence. *Preponderance of the evidence* is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

**Conclusions:** The hearing officer will render a conclusion derived from the facts that were found to be true by a preponderance of the evidence. The conclusion will result in a determination of whether these facts uphold the PHA's decision.

**Order:** The hearing report will include a statement of whether the PHA's decision is upheld or overturned. If it is overturned, the hearing officer will instruct the PHA to change the decision in accordance with the hearing officer's determination. In the case of termination of assistance, the hearing officer will instruct the PHA to restore the participant's program status.

## ***Procedures for Rehearing or Further Hearing***

### **PHA Policy**

The hearing officer may ask the family for additional information and/or might adjourn the hearing in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the hearing officer, the action of the PHA will take effect and another hearing will not be granted.

### ***PHA Notice of Final Decision [24 CFR 982.555(f)]***

The PHA is not bound by the decision of the hearing officer for matters in which the PHA is not required to provide an opportunity for a hearing, decisions that exceed the authority of the hearing officer, decisions that conflict with or contradict HUD regulations, requirements, or are otherwise contrary to federal, state, or local laws.

If the PHA determines it is not bound by the hearing officer's decision in accordance with HUD regulations, the PHA must promptly notify the family of the determination and the reason for the determination.

### **PHA Policy**

The PHA will mail a "Notice of Final Decision" including the hearing officer's report to the participant and their representative. This notice will be sent by first-class mail. The participant will be mailed the original "Notice of Final Decision" and a copy of the "Notice of Final Decision" will be maintained in the PHA's file.

### **16-III.D. HEARING AND APPEAL PROVISIONS FOR NONCITIZENS [24 CFR 5.514]**

Denial or termination of assistance based on immigration status is subject to special hearing and notice rules. Applicants who are denied assistance due to immigration status are entitled to an informal hearing, not an informal review.

Assistance to a family may not be delayed, denied, or terminated on the basis of immigration status at any time prior to a decision under the United States Citizenship and Immigration Services (USCIS) appeal process. Assistance to a family may not be terminated or denied while the PHA hearing is pending, but assistance to an applicant may be delayed pending the completion of the informal hearing.

A decision against a family member, issued in accordance with the USCIS appeal process or the PHA informal hearing process, does not preclude the family from exercising the right, that may otherwise be available, to seek redress directly through judicial procedures.

#### **Notice of Denial or Termination of Assistance [24 CFR 5.514(d)]**

The notice of denial or termination of assistance for noncitizens must advise the family:

- That financial assistance will be denied or terminated, and provide a brief explanation of the reasons for the proposed denial or termination of assistance.
- The family may be eligible for proration of assistance.
- In the case of a participant, the criteria and procedures for obtaining relief under the provisions for preservation of families [24 CFR 5.514 and 5.518].
- That the family has a right to request an appeal to the USCIS of the results of secondary verification of immigration status and to submit additional documentation or explanation in support of the appeal.
- That the family has a right to request an informal hearing with the PHA either upon completion of the USCIS appeal or in lieu of the USCIS appeal.
- For applicants, assistance may not be delayed until the conclusion of the USCIS appeal process, but assistance may be delayed during the period of the informal hearing process.

## **USCIS Appeal Process [24 CFR 5.514(e)]**

When the PHA receives notification that the USCIS secondary verification failed to confirm eligible immigration status, the PHA must notify the family of the results of the USCIS verification. The family will have 30 days from the date of the notification to request an appeal of the USCIS results. The request for appeal must be made by the family in writing directly to the USCIS. The family must provide the PHA with a copy of the written request for appeal and the proof of mailing.

### PHA Policy

The PHA will notify the family in writing of the results of the USCIS secondary verification within 14 business days of receiving the results.

The family must provide the PHA with a copy of the written request for appeal and proof of mailing within 14 business days of sending the request to the USCIS.

The family must forward to the designated USCIS office any additional documentation or written explanation in support of the appeal. This material must include a copy of the USCIS document verification request (used to process the secondary request) or such other form specified by the USCIS, and a letter indicating that the family is requesting an appeal of the USCIS immigration status verification results.

The USCIS will notify the family, with a copy to the PHA, of its decision. When the USCIS notifies the PHA of the decision, the PHA must notify the family of its right to request an informal hearing.

### PHA Policy

The PHA will send written notice to the family of its right to request an informal hearing within 14 business days of receiving notice of the USCIS decision regarding the family's immigration status.

## **Informal Hearing Procedures for Applicants [24 CFR 5.514(f)]**

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of denial, or within 30 days of receipt of the USCIS appeal decision.

The informal hearing procedures for applicant families are described below.

### ***Informal Hearing Officer***

The PHA must provide an informal hearing before an impartial individual, other than a person who made or approved the decision under review, and other than a person who is a subordinate of the person who made or approved the decision. See Section 16-III.C. for a listing of positions that serve as informal hearing officers.

### ***Evidence***

The family must be provided the opportunity to examine and copy at the family's expense, at a reasonable time in advance of the hearing, any documents in the possession of the PHA pertaining to the family's eligibility status, or in the possession of the USCIS (as permitted by USCIS requirements), including any records and regulations that may be relevant to the hearing.

#### **PHA Policy**

The family will be allowed to copy any documents related to the hearing at a cost of \$.25 per page. The family must request discovery of PHA documents no later than 12:00 p.m. on the business day prior to the hearing.

The family must be provided the opportunity to present evidence and arguments in support of eligible status. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

The family must also be provided the opportunity to refute evidence relied upon by the PHA, and to confront and cross-examine all witnesses on whose testimony or information the PHA relies.

### ***Representation and Interpretive Services***

The family is entitled to be represented by an attorney or other designee, at the family's expense, and to have such person make statements on the family's behalf.

The family is entitled to arrange for an interpreter to attend the hearing, at the expense of the family, or the PHA, as may be agreed upon by the two parties.

### ***Recording of the Hearing***

The family is entitled to have the hearing recorded by audiotape. The PHA may, but is not required to provide a transcript of the hearing.

#### **PHA Policy**

The PHA will not provide a transcript of an audio taped hearing.

### ***Hearing Decision***

The PHA must provide the family with a written final decision, based solely on the facts presented at the hearing, within 14 business days of the date of the informal hearing. The decision must state the basis for the decision.

### **Informal Hearing Procedures for Residents [24 CFR 5.514(f)]**

After notification of the USCIS decision on appeal, or in lieu of an appeal to the USCIS, the family may request that the PHA provide a hearing. The request for a hearing must be made either within 30 days of receipt of the PHA notice of termination, or within 30 days of receipt of the USCIS appeal decision.

For the informal hearing procedures that apply to participant families whose assistance is being terminated based on immigration status, see Section 16-III.C.

### **Retention of Documents [24 CFR 5.514(h)]**

The PHA must retain for a minimum of 5 years the following documents that may have been submitted to the PHA by the family, or provided to the PHA as part of the USCIS appeal or the PHA informal hearing process:

- The application for assistance
- The form completed by the family for income reexamination
- Photocopies of any original documents, including original USCIS documents
- The signed verification consent form
- The USCIS verification results
- The request for a USCIS appeal
- The final USCIS determination
- The request for an informal hearing
- The final informal hearing decision

## **PART IV: OWNER OR FAMILY DEBTS TO THE PHA**

### **16-IV.A. OVERVIEW**

PHAs are required to include in the administrative plan, policies concerning repayment by a family of amounts owed to the PHA [24 CFR 982.54]. This part describes the PHA's policies for recovery of monies owed to the PHA by families or owners.

#### PHA Policy

When an action or inaction of an owner or participant results in the overpayment of housing assistance, the PHA holds the owner or participant liable to return any overpayments to the PHA.

The PHA will enter into repayment agreements in accordance with the policies contained in this part as a means to recover overpayments.

When an owner or participant refuses to repay monies owed to the PHA, the PHA will utilize other available collection alternatives including, but not limited to, the following:

- Collection agencies
- Small claims court
- Civil law suit
- State income tax set-off program

### **16-IV.B. REPAYMENT POLICY**

#### **Owner Debts to the PHA**

#### PHA Policy

Any amount due to the PHA by an owner must be repaid by the owner within 30 days of the PHA determination of the debt.

If the owner fails to repay the debt within the required time frame and is entitled to future HAP payments, the PHA will reduce the future HAP payments by the amount owed until the debt is paid in full.

If the owner is not entitled to future HAP payments the PHA may, in its sole discretion, offer to enter into a repayment agreement on terms prescribed by the PHA.

If the owner refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the PHA will ban the owner from future participation in the program and pursue other modes of collection.

## **Family Debts to the PHA**

### PHA Policy

Any amount owed to the PHA by an HCV family must be repaid by the family. If the family is unable to repay the debt within 30 days, the PHA will offer to enter into a repayment agreement in accordance with the policies below.

If the family refuses to repay the debt, does not enter into a repayment agreement, or breaches a repayment agreement, the PHA will terminate assistance in accordance with the policies in Chapter 12 and pursue other modes of collection.

### **Repayment Agreement [24 CFR 792.103]**

The term *repayment agreement* refers to a formal written document signed by a tenant or owner and provided to the PHA in which a tenant or owner acknowledges a debt in a specific amount and agrees to repay the amount due at specific time periods.

### **General Repayment Agreement Guidelines for Families**

#### ***Down Payment Requirement***

### PHA Policy

Before executing a repayment agreement with a family, the PHA will generally require a down payment of 10 percent of the total amount owed. If the family can provide evidence satisfactory to the PHA that a down payment of 10 percent would impose an undue hardship, the PHA may, in its sole discretion, require a lesser percentage or waive the requirement.

### ***Payment Thresholds***

Notice PIH 2010-19 recommends that the total amount that a family must pay each month—the family’s monthly share of rent plus the monthly debt repayment amount—should not exceed 40 percent of the family’s monthly adjusted income. However, a family may already be paying 40 per cent or more of its monthly adjusted income in rent. Moreover, Notice PIH 2010-19 acknowledges that PHAs have the discretion to establish “thresholds and policies” for repayment agreements with families [24 CFR 982.552(c)(1)(vii)].

#### **PHA Policy**

The PHA has established the following thresholds for repayment of debts:

Amounts between \$3,000 and the federal or state threshold for criminal prosecution must be repaid within 36 months. (Check periodically with the local HUD Field Office for threshold amount as it may change).

Amounts between \$2,000 and \$2,999 must be repaid within 30 months.

Amounts between \$1,000 and \$1,999 must be repaid within 24 months.

Amounts under \$1,000 must be repaid within 12 months.

If a family can provide evidence satisfactory to the PHA that the threshold applicable to the family’s debt would impose an undue hardship, the PHA may, in its sole discretion, determine that a lower monthly payment amount is reasonable. In making its determination, the PHA will consider all relevant information, including the following:

The amount owed by the family to the PHA

The reason for the debt, including whether the debt was the result of family action/inaction or circumstances beyond the family’s control

The family’s current and potential income and expenses

The family’s current family share, as calculated under 24 CFR 982.515

The family’s history of meeting its financial responsibilities

### ***Execution of the Agreement***

#### **PHA Policy**

Any repayment agreement between the PHA and a family must be signed and dated by the PHA and by the head of household and spouse/cohead (if applicable).

### ***Due Dates***

#### **PHA Policy**

All payments are due by the close of business on the 5<sup>th</sup> day of the month. If the 5<sup>th</sup> does not fall on a business day, the due date is the close of business on the first business day after the 5<sup>th</sup>.

### ***Late or Missed Payments***

#### **PHA Policy**

If a payment is not received by the end of the business day on the date due, and prior approval for the missed payment has not been given by the PHA, the PHA will send the family a delinquency notice giving the family 14 business days to make the late payment. If the payment is not received by the due date of the delinquency notice, it will be considered a breach of the agreement and the PHA will terminate assistance in accordance with the policies in Chapter 12.

If a family receives three delinquency notices for unexcused late payments in a 12-month period, the repayment agreement will be considered in default, and the PHA will terminate assistance in accordance with the policies in Chapter 12.

### ***No Offer of Repayment Agreement***

#### **PHA Policy**

The PHA generally will not enter into a repayment agreement with a family if there is already a repayment agreement in place with the family or if the amount owed by the family exceeds the federal or state threshold for criminal prosecution.

### **Repayment Agreements Involving Improper Payments**

Notice PIH 2010-19 requires certain provisions to be included in any repayment agreement involving amounts owed by a family because it underreported or failed to report income:

- A reference to the items in the family briefing packet that state the family's obligation to provide true and complete information at every reexamination and the grounds on which the PHA may terminate assistance because of a family's action or failure to act
- A statement clarifying that each month the family not only must pay to the PHA the monthly payment amount specified in the agreement but must also pay to the owner the family's monthly share of the rent to owner
- A statement that the terms of the repayment agreement may be renegotiated if the family's income decreases or increases
- A statement that late or missed payments constitute default of the repayment agreement and may result in termination of assistance

## **PART V: SECTION 8 MANAGEMENT ASSESSMENT PROGRAM (SEMAP)**

### **16-V.A. OVERVIEW**

The Section 8 Management Assessment Program (SEMAP) is a tool that allows HUD to measure PHA performance in key areas to ensure program integrity and accountability. SEMAP scores translate into a rating for each PHA as high performing, standard, or troubled. Scores on individual SEMAP indicators, as well as overall SEMAP ratings, can affect the PHA in several ways.

- High-performing PHAs can be given a competitive advantage under notices of funding availability [24 CFR 985.103].
- PHAs with deficiencies on one or more indicators are required to correct the deficiencies and report to HUD [24 CFR 985.106].
- PHAs with an overall rating of “troubled” are subject to additional HUD oversight, including on-site reviews by HUD staff, a requirement to develop a corrective action plan, and monitoring to ensure the successful implementation of the corrective action plan. In addition, PHAs that are designated “troubled” may not use any part of the administrative fee reserve for other housing purposes [24 CFR 985.107].
- HUD may determine that a PHA's failure to correct identified SEMAP deficiencies or to prepare and implement a corrective action plan required by HUD constitutes a default under the ACC [24 CFR 985.109].

## **16-V.B. SEMAP CERTIFICATION [24 CFR 985.101]**

PHAs must submit the HUD-required SEMAP certification form within 60 calendar days after the end of its fiscal year. The certification must be approved by PHA board resolution and signed by the PHA executive director. If the PHA is a unit of local government or a state, a resolution approving the certification is not required, and the certification must be executed by the Section 8 program director.

PHAs with less than 250 voucher units are only required to be assessed every other PHA fiscal year. HUD will assess such PHAs annually if the PHA elects to have its performance assessed on an annual basis; or is designated as “troubled” [24 CFR 985.105].

Failure of a PHA to submit its SEMAP certification within the required time frame will result in an overall performance rating of “troubled.”

A PHA’s SEMAP certification is subject to HUD verification by an on-site confirmatory review at any time.

Upon receipt of the PHA’s SEMAP certification, HUD will rate the PHA’s performance under each SEMAP indicator in accordance with program requirements.

### **HUD Verification Method**

Several of the SEMAP indicators are scored based on a review of a quality control sample selected for this purpose. The PHA or the Independent Auditor must select an unbiased sample that provides an adequate representation of the types of information to be assessed, in accordance with SEMAP requirements [24 CFR 985.2].

If the HUD verification method for the indicator relies on data in the Form-50058 module (formerly known as MTCS) in the PIH Information Center (PIC), and HUD determines that those data are insufficient to verify the PHA's certification on the indicator due to the PHA's failure to adequately report family data, HUD will assign a zero rating for the indicator [24 CFR 985.3].

## 16-V.C. SEMAP INDICATORS [24 CFR 985.3 and form HUD-52648]

The table below lists each of the SEMAP indicators, contains a description of each indicator, and explains the basis for points awarded under each indicator.

A PHA that expends less than \$300,000 in Federal awards and whose Section 8 programs are not audited by an independent auditor, is not be rated under SEMAP indicators 1-7.

<b>SEMAP Indicators</b>
<p><b>Indicator 1: Selection from the waiting list</b> <b>Maximum Score: 15</b></p> <ul style="list-style-type: none"><li>• This indicator shows whether the PHA has written policies in its administrative plan for selecting applicants from the waiting list and whether the PHA follows these policies when selecting applicants for admission from the waiting list.</li><li>• Points are based on the percent of families that are selected from the waiting list in accordance with the PHA's written policies, according to the PHA's quality control sample.</li></ul>
<p><b>Indicator 2: Rent reasonableness</b> <b>Maximum Score: 20</b></p> <ul style="list-style-type: none"><li>• This indicator shows whether the PHA has and implements a reasonable written method to determine and document for each unit leased that the rent to owner is reasonable based on current rents for comparable unassisted units</li><li>• Points are based on the percent of units for which the PHA follows its written method to determine reasonable rent and has documented its determination that the rent to owner is reasonable, according to the PHA's quality control sample.</li></ul>
<p><b>Indicator 3: Determination of adjusted income</b> <b>Maximum Score: 20</b></p> <ul style="list-style-type: none"><li>• This indicator measures whether the PHA verifies and correctly determines adjusted income for each assisted family, and where applicable, uses the appropriate utility allowances for the unit leased in determining the gross rent.</li><li>• Points are based on the percent of files that are calculated and verified correctly, according to the PHA's quality control sample.</li></ul>
<p><b>Indicator 4: Utility allowance schedule</b> <b>Maximum Score: 5</b></p> <ul style="list-style-type: none"><li>• This indicator shows whether the PHA maintains an up-to-date utility allowance schedule.</li><li>• Points are based on whether the PHA has reviewed the utility allowance schedule and adjusted it when required, according to the PHA's certification.</li></ul>

**Indicator 5: HQS quality control inspections****Maximum Score: 5**

- This indicator shows whether a PHA supervisor reinspects a sample of units under contract during the PHA fiscal year, which meets the minimum sample size requirements for quality control of HQS inspections.
- Points are based on whether the required quality control reinspections were completed, according to the PHA's certification.

**Indicator 6: HQS enforcement****Maximum Score: 10**

- This indicator shows whether, following each HQS inspection of a unit under contract where the unit fails to meet HQS, any cited life-threatening deficiencies are corrected within 24 hours from the inspection and all other deficiencies are corrected within no more than 30 calendar days from the inspection or any PHA-approved extension.
- Points are based on whether the PHA corrects all HQS deficiencies in accordance with required time frames, according to the PHA's certification.

**Indicator 7: Expanding housing opportunities****Maximum Points: 5**

- Only applies to PHAs with jurisdiction in metropolitan FMR areas.
- This indicator shows whether the PHA has adopted and implemented a written policy to encourage participation by owners of units located outside areas of poverty or minority concentration; informs voucher holders of the full range of areas where they may lease units both inside and outside the PHA's jurisdiction; and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.
- Points are based on whether the PHA has adopted and implemented written policies in accordance with SEMAP requirements, according to the PHA's certification.

**Indicator 8: FMR limit and payment standards****Maximum Points: 5 points**

- This indicator shows whether the PHA has adopted a payment standard schedule that establishes payment standard amounts by unit size for each FMR area in the PHA's jurisdiction, that are within the basic range of 90 to 110 percent of the published FMR.
- Points are based on whether the PHA has appropriately adopted a payment standard schedule(s), according to the PHA's certification.

**Indicator 9: Annual reexaminations****Maximum Points: 10**

- This indicator shows whether the PHA completes a reexamination for each participating family at least every 12 months.
- Points are based on the percent of reexaminations that are more than 2 months overdue, according to data from PIC.

**Indicator 10: Correct tenant rent calculations****Maximum Points: 5**

- This indicator shows whether the PHA correctly calculates the family's share of the rent to owner.
- Points are based on the percent of correct calculations of family share of the rent, according to data from PIC.

**Indicator 11: Pre-contract HQS inspections****Maximum Points: 5**

- This indicator shows whether newly leased units pass HQS inspection on or before the effective date of the assisted lease and HAP contract.
- Points are based on the percent of newly leased units that passed HQS inspection prior to the effective date of the lease and HAP contract, according to data from PIC.

**Indicator 12: Annual HQS inspections****Maximum Points: 10**

- This indicator shows whether the PHA inspects each unit under contract at least annually.
- Points are based on the percent of annual HQS inspections of units under contract that are more than 2 months overdue, according to data from PIC.

**Indicator 13: Lease-up****Maximum Points: 20 points**

- This indicator shows whether the PHA enters HAP contracts for the number of units or funding reserved under ACC for at least one year.
- Points are based on the percent of units leased during the last completed PHA fiscal year, or the percent of allocated budget authority that has been expended by the PHA, according to data from the PHA's last year-end operating statement that is recorded in HUD's accounting system.

**Indicator 14: Family self-sufficiency (FSS) enrollment and escrow account balances****Maximum Points: 10**

- Only applies to PHAs with mandatory FSS programs.
- This indicator shows whether the PHA has enrolled families in the FSS program as required, and measures the percent of current FSS participants that have had increases in earned income which resulted in escrow account balances.
- Points are based on the percent of mandatory FSS slots that are filled and the percent of families with escrow account balances, according to data from PIC.

**Success Rate of Voucher Holders****Maximum Points: 5**

- Only applies to PHAs that have received approval to establish success rate payment standard amounts, and isn't effective until the second full PHA fiscal year following the date of HUD approval of success rate payment standard amounts.
- This indicator shows whether voucher holders were successful in leasing units with voucher assistance.
- Points are based on the percent of families that were issued vouchers, and that became participants in the voucher program.

**Deconcentration Bonus Indicator****Maximum Points: 5**

- Submission of data for this indicator is mandatory for a PHA using one or more payment standard amount(s) that exceed(s) 100 percent of the published FMR set at the 50 percentile rent, starting with the second full PHA fiscal year following initial use of payment standard amounts based on the FMRs set at the 50<sup>th</sup> percentile.
- Additional points are available to PHAs that have jurisdiction in metropolitan FMR areas and that choose to submit the required data.
- Points are based on whether the data that is submitted meets the requirements for bonus points.

## **PART VI: RECORD KEEPING**

### **16-VI.A. OVERVIEW**

The PHA must maintain complete and accurate accounts and other records for the program in accordance with HUD requirements, in a manner that permits a speedy and effective audit. All such records must be made available to HUD or the Comptroller General of the United States upon request.

In addition, the PHA must ensure that all applicant and participant files are maintained in a way that protects an individual's privacy rights.

### **16-VI.B. RECORD RETENTION [24 CFR 982.158]**

During the term of each assisted lease, and for at least three years thereafter, the PHA must keep:

- A copy of the executed lease;
- The HAP contract; and
- The application from the family.

In addition, the PHA must keep the following records for at least three years:

- Records that provide income, racial, ethnic, gender, and disability status data on program applicants and participants;
- An application from each ineligible family and notice that the applicant is not eligible;
- HUD-required reports;
- Unit inspection reports;
- Lead-based paint records as required by 24 CFR 35, Subpart B.
- Accounts and other records supporting PHA budget and financial statements for the program;
- Records to document the basis for PHA determination that rent to owner is a reasonable rent (initially and during the term of a HAP contract); and
- Other records specified by HUD.
- Notice PIH 2014-20 requires PHAs to keep records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act or the equal access final rule.

If an informal hearing to establish a family's citizenship status is held, longer retention requirements apply for some types of documents. For specific requirements, see Section 16-III.D., Retention of Documents.

## **16-VI.C. RECORDS MANAGEMENT**

PHAs must maintain applicant and participant files and information in accordance with the regulatory requirements described below.

### PHA Policy

All applicant and participant information will be kept in a secure location and access will be limited to authorized PHA staff.

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

### **Privacy Act Requirements [24 CFR 5.212 and Form-9886]**

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

Applicants and participants, including all adults in the household, are required to sign a consent form, HUD-9886, Authorization for Release of Information. This form incorporates the Federal Privacy Act Statement and describes how the information collected using the form may be used, and under what conditions HUD or the PHA may release the information collected.

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

PHAs that access UIV data through HUD's Enterprise Income Verification (EIV) system are required to adopt and follow specific security procedures to ensure that all EIV data is protected in accordance with federal laws, regardless of the media on which the data is recorded (e.g. electronic, paper). These requirements are contained in the HUD-issued document, *Enterprise Income Verification (EIV) System, Security Procedures for Upfront Income Verification data*.

### PHA Policy

Prior to utilizing HUD's EIV system, the PHA will adopt and implement EIV security procedures required by HUD.

## **Criminal Records**

The PHA may only disclose the criminal conviction records which the PHA receives from a law enforcement agency to officers or employees of the PHA, or to authorized representatives of the PHA who have a job-related need to have access to the information [24 CFR 5.903(e)].

The PHA must establish and implement a system of records management that ensures that any criminal record received by the PHA from a law enforcement agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation [24 CFR 5.903(g)].

The PHA must establish and implement a system of records management that ensures that any sex offender registration information received by the PHA from a State or local agency is maintained confidentially, not misused or improperly disseminated, and destroyed, once the purpose for which the record was requested has been accomplished, including expiration of the period for filing a challenge to the PHA action without institution of a challenge or final disposition of any such litigation. However, a record of the screening, including the type of screening and the date performed must be retained [Notice PIH 2012-28]. This requirement does not apply to information that is public information, or is obtained by a PHA other than under 24 CFR 5.905.

## **Medical/Disability Records**

PHAs are not permitted to inquire about the nature or extent of a person's disability. The PHA may not inquire about a person's diagnosis or details of treatment for a disability or medical condition. If the PHA receives a verification document that provides such information, the PHA should not place this information in the tenant file. The PHA should destroy the document.

## **Documentation of Domestic Violence, Dating Violence, Sexual Assault, or Stalking**

For requirements and PHA policies related to management of documentation obtained from victims of domestic violence, dating violence, sexual assault, or stalking, see section 16-IX.E.



## **PART VII: REPORTING AND RECORD KEEPING FOR CHILDREN WITH ENVIRONMENTAL INTERVENTION BLOOD LEAD LEVEL**

### **16-VII.A. OVERVIEW**

The PHA has certain responsibilities relative to children with environmental intervention blood lead levels that are receiving HCV assistance. The notification, verification, and hazard reduction requirements are discussed in Chapter 8. This part deals with the reporting requirements, and data collection and record keeping responsibilities that the PHA is subject to.

### **16-VII.B. REPORTING REQUIREMENT [24 CFR 35.1225(e)]**

The PHA must report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional.

#### PHA Policy

The PHA will provide the public health department written notice of the name and address of any child identified as having an environmental intervention blood lead level.

### **16-VII.C. DATA COLLECTION AND RECORD KEEPING [24 CFR 35.1225(f)]**

At least quarterly, the PHA must attempt to obtain from the public health department(s) with a similar area of jurisdiction, the names and/or addresses of children less than 6 years old with an identified environmental intervention blood lead level.

If the PHA obtains names and addresses of environmental intervention blood lead level children from the public health department(s), the PHA must match this information with the names and addresses of families receiving HCV assistance, unless the public health department performs such a procedure. If a match occurs, the PHA must carry out the notification, verification, and hazard reduction requirements discussed in Chapter 8, and the reporting requirement discussed above.

At least quarterly, the PHA must also report an updated list of the addresses of units receiving assistance under the HCV program to the same public health department(s), unless the public health department(s) states that it does not wish to receive such a report.

#### PHA Policy

The public health department(s) has stated they **do not** wish to receive a report of an updated list of the addresses of units receiving assistance under the HCV program, on a quarterly basis. Therefore, the PHA is not providing such a report.



## **PART VIII: DETERMINATION OF INSUFFICIENT FUNDING**

### **16-VIII.A. OVERVIEW**

The HCV regulations allow PHAs to deny families permission to move and to terminate Housing Assistance Payments (HAP) contracts if funding under the consolidated ACC is insufficient to support continued assistance [24 CFR 982.354(e)(1) and 982.454]. If a PHA denies a family a portability move based on insufficient funding, the PHA is required to notify the local HUD office within 10 business days [24 CFR 982.354]. Insufficient funding may also impact the PHA's ability to issue vouchers to families on the waiting list. This part discusses the methodology the PHA will use to determine whether or not the PHA has sufficient funding to issue vouchers, approve moves, and to continue subsidizing all families currently under a HAP contract.

### **16-VIII.B. METHODOLOGY**

#### PHA Policy

The PHA will determine whether there is adequate funding to issue vouchers, approve moves to higher cost units and areas, and continue subsidizing all current participants by comparing the PHA's annual budget authority to the annual total HAP needs on a monthly basis. The total HAP needs for the calendar year will be projected by establishing the actual HAP costs year to date. To that figure, the PHA will add anticipated HAP expenditures for the remainder of the calendar year. Projected HAP expenditures will be calculated by multiplying the projected number of units leased per remaining months by the most current month's average HAP. The projected number of units leased per month will take into account the average monthly turnover of participant families. If the total annual HAP needs equal or exceed the annual budget authority, or if the PHA cannot support the cost of the proposed subsidy commitment (voucher issuance or move) based on the funding analysis, the PHA will be considered to have insufficient funding.



## **PART IX: VIOLENCE AGAINST WOMEN ACT (VAWA): NOTIFICATION, DOCUMENTATION, CONFIDENTIALITY**

### **16-IX.A. OVERVIEW**

The Violence against Women Act of 2013 (VAWA) provides special protections for victims of domestic violence, dating violence, sexual assault and stalking who are applying for or receiving assistance under the housing choice voucher (HCV) program. If your state or local laws provide greater protection for such victims, those laws apply in conjunction with VAWA.

In addition to definitions of key terms used in VAWA, this part contains general VAWA requirements and PHA policies in three areas: notification, documentation, and confidentiality. Specific VAWA requirements and PHA policies are located primarily in the following sections: 3-I.C, “Family Breakup and Remaining Member of Tenant Family”; 3-III.G, “Prohibition against Denial of Assistance to Victims of Domestic Violence, Dating Violence, and Stalking”; 10-I.A, “Allowable Moves”; 10-I.B, “Restrictions on Moves”; 12-II.E, “Terminations Related to Domestic Violence, Dating Violence, or Stalking”; and 12-II.F, “Termination Notice.”

### **16-IX.B. DEFINITIONS [24 CFR 5.2003, 42 USC 13925]**

As used in VAWA:

- The term *bifurcate* means, with respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members’ lease and occupancy rights are allowed to remain intact.
- The term *dating violence* means violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:
  - The length of the relationship
  - The type of relationship
  - The frequency of interaction between the persons involved in the relationship
- The term *domestic violence* includes felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person’s acts under the domestic or family violence laws of the jurisdiction.

- The term *affiliated individual* means, with respect to a person:
  - A spouse, parent, brother or sister, or child of that individual, or an individual to whom that individual stands in the position or place of a parent; or
  - Any other individual, tenant, or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking.
- The term *sexual assault* means:
  - Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks the capacity to consent
- The term *stalking* means:
  - To engage in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

## **16-IX.C. NOTIFICATION [24 CFR 5.2005(a)]**

### **Notification to Public**

The PHA adopts the following policy to help ensure that all actual and potential beneficiaries of its HCV program are aware of their rights under VAWA.

#### PHA Policy

The PHA will post the following information regarding VAWA in its offices and on its Web site. It will also make the information readily available to anyone who requests it.

A summary of the rights and protections provided by VAWA to housing choice voucher program applicants and participants who are or have been victims of domestic violence, dating violence, sexual assault, or stalking (see sample notices in Exhibits 16-1 and 16-2)

The definitions of *domestic violence*, *dating violence*, *sexual assault*, and *stalking* provided in VAWA (included in Exhibits 16-1 and 16-2)

An explanation of the documentation that the PHA may require from an individual who claims the protections provided by VAWA (included in Exhibits 16-1 and 16-2)

A copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

A statement of the PHA's obligation to keep confidential any information that it receives from a victim unless (a) the PHA has the victim's written permission to release the information, (b) it needs to use the information in an eviction proceeding, or (c) it is compelled by law to release the information (included in Exhibits 16-1 and 16-2)

The National Domestic Violence Hot Line: 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY) (included in Exhibits 16-1 and 16-2)

Contact information for local victim advocacy groups or service providers

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

PHAs are required to inform program applicants and participants of their rights under VAWA, including their right to confidentiality and the limits thereof, when they are denied assistance, when they are admitted to the program, and when they are notified of an eviction or termination of housing benefits.

#### PHA Policy

The PHA will provide all applicants with information about VAWA at the time they request an application for housing assistance. The PHA will also include information about VAWA in all notices of denial of assistance (see section 3-III.G).

The PHA will provide all participants with information about VAWA at the time of admission (see section 5-I.B) and at annual reexamination. The PHA will also include information about VAWA in notices of termination of assistance, as provided in section 12-II.F.

The VAWA information provided to applicants and participants will consist of the notice in Exhibit 16-1 and a copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, and Stalking.

### **Notification to Owners and Managers [24 CFR 5.2005(a)(2)]**

PHAs are required to notify owners and managers participating in the HCV program of their rights and obligations under VAWA.

#### PHA Policy

The PHA will provide owners and managers with information about their rights and obligations under VAWA when they begin their participation in the HCV program and at least annually thereafter.

The VAWA information provided to owners will consist of the notice in Exhibit 16-2 and a copy of form HUD-50066, Certification of Domestic Violence, Dating Violence, and Stalking.

## **16-IX.D. DOCUMENTATION [24 CFR 5.2007]**

A PHA presented with a claim for initial or continued assistance based on status as a victim of domestic violence, dating violence, sexual assault, stalking, or criminal activity related to any of these forms of abuse may—but is not required to—request that the individual making the claim document the abuse. Any request for documentation must be in writing, and the individual must be allowed at least 14 business days after receipt of the request to submit the documentation. The PHA may extend this time period at its discretion. [24 CFR 5.2007(a)]

The individual may satisfy the PHA’s request by providing any one of the following three forms of documentation [24 CFR 5.2007(b)]:

- (1) A completed and signed HUD-approved certification form (HUD-50066, Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), which must include the name of the perpetrator only if the name of the perpetrator is safe to provide and is known to the victim
- (2) A federal, state, tribal, territorial, or local police report or court record, or an administrative record
- (3) Documentation signed by a person who has assisted the victim in addressing domestic violence, dating violence, sexual assault or stalking, or the effects of such abuse. This person may be an employee, agent, or volunteer of a victim service provider; an attorney; a mental health professional; or a medical professional. The person signing the documentation must attest under penalty of perjury to the person’s belief that the incidents in question are bona fide incidents of abuse. The victim must also sign the documentation.

The PHA may not require third-party documentation (forms 2 and 3) in addition to certification (form 1), except as specified below under “Conflicting Documentation,” nor may it require certification in addition to third-party documentation [VAWA final rule].

### PHA Policy

Any request for documentation of domestic violence, dating violence, sexual assault or stalking will be in writing, will specify a deadline of 14 business days following receipt of the request, will describe the three forms of acceptable documentation, will provide explicit instructions on where and to whom the documentation must be submitted, and will state the consequences for failure to submit the documentation or request an extension in writing by the deadline.

The PHA may, in its discretion, extend the deadline for 14 business days. Any extension granted by the PHA will be in writing.

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

In cases where the PHA receives conflicting certification documents from two or more members of a household, each claiming to be a victim and naming one or more of the other petitioning household members as the perpetrator, the PHA may determine which is the true victim by requiring each to provide acceptable third-party documentation, as described above (forms 2 and 3). The PHA must honor any court orders issued to protect the victim or to address the distribution of property.

#### PHA Policy

If presented with conflicting certification documents (two or more forms HUD-50066) from members of the same household, the PHA will attempt to determine which is the true victim by requiring each of them to provide third-party documentation in accordance with 24 CFR 5.2007(e) and by following any HUD guidance on how such determinations should be made.

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

The PHA has the discretion to provide benefits to an individual based solely on the individual's statement or other corroborating evidence—i.e., without requiring formal documentation of abuse in accordance with 24 CFR 5.2007(b).

#### PHA Policy

If the PHA accepts an individual's statement or other corroborating evidence of domestic violence, dating violence, sexual assault or stalking, the PHA will document acceptance of the statement or evidence in the individual's file.

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

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

### **16-IX.E. CONFIDENTIALITY [24 CFR 5.2007(b)(4)]**

All information provided to the PHA regarding domestic violence, dating violence, sexual assault or stalking, including the fact that an individual is a victim of such violence or stalking, must be retained in confidence. This means that the PHA (1) may not enter the information into any shared database, (2) may not allow employees or others to access the information unless they are explicitly authorized to do so and have a need to know the information for purposes of their work, and (3) may not provide the information to any other entity or individual, except to the extent that the disclosure is (a) requested or consented to by the individual in writing, (b) required for use in an eviction proceeding, or (c) otherwise required by applicable law.

#### PHA Policy

If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the PHA will inform the victim before disclosure occurs so that safety risks can be identified and addressed.

**EXHIBIT 16-1: SAMPLE NOTICE TO HOUSING CHOICE VOUCHER APPLICANTS  
AND PARTICIPANTS REGARDING THE VIOLENCE AGAINST WOMEN ACT  
(VAWA)**

*This sample notice was adapted from a notice prepared by the National Housing Law Project.*

A federal law that went into effect in 2013 protects individuals who are victims of domestic violence, dating violence, sexual assault, or stalking. The name of the law is the Violence against Women Act, or “VAWA.” This notice explains your rights under VAWA.

### **Protections for Victims**

If you are eligible for a Section 8 voucher, the housing authority cannot deny you rental assistance solely because you are a victim of domestic violence, dating violence, sexual assault, or stalking.

If you are the victim of domestic violence, dating violence, sexual assault, or stalking, you cannot be terminated from the Section 8 program or evicted based on acts or threats of violence committed against you. Also, criminal acts directly related to the domestic violence, dating violence, sexual assault, or stalking that are caused by a member of your household or a guest can't be the reason for evicting you or terminating your rental assistance if you were the victim of the abuse.

### **Reasons You Can Be Evicted**

You can be evicted and your rental assistance can be terminated if the housing authority or your landlord can show there is an *actual* and *imminent* (immediate) threat to other tenants or employees at the property if you remain in your housing. Also, you can be evicted and your rental assistance can be terminated for serious or repeated lease violations that are not related to the domestic violence, dating violence, sexual assault, or stalking committed against you. The housing authority and your landlord cannot hold you to a more demanding set of rules than it applies to participants who are not victims.

### **Removing the Abuser from the Household**

Your landlord may split the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the assisted unit. Also, the housing authority can terminate the abuser's Section 8 rental assistance while allowing you to continue to receive assistance. If the landlord or housing authority chooses to remove the abuser, it may not take away the remaining tenants' rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, your landlord must follow federal, state, and local eviction procedures.

### **Moving to Protect Your Safety**

The housing authority may permit you to move and still keep your rental assistance, even if your current lease has not yet expired. The housing authority may require that you be current on your rent or other obligations in the housing choice voucher program. The housing authority may ask you to provide proof that you are moving because of incidences of abuse.

## **Proving That You Are a Victim of Domestic Violence, Dating Violence, Sexual Assault, or Stalking**

The housing authority and your landlord can ask you to prove or “certify” that you are a victim of domestic violence, dating violence, sexual assault, or stalking. The housing authority or your landlord must give you at least 14 business days (i.e., Saturdays, Sundays, and holidays do not count) to provide this proof. The housing authority and your landlord are free to extend the deadline. There are three ways you can prove that you are a victim:

- Complete the certification form given to you by the housing authority or your landlord. The form will ask for your name, the name of your abuser, the abuser’s relationship to you, the date, time, and location of the incident of violence, and a description of the violence. You are only required to provide the name of the abuser if it is safe to provide and you know their name.
- Provide a statement from a victim service provider, attorney, mental health professional, or medical professional who has helped you address incidents of domestic violence, dating violence, sexual assault, or stalking. The professional must state that he or she believes that the incidents of abuse are real. Both you and the professional must sign the statement, and both of you must state that you are signing “under penalty of perjury.”
- Provide a police or court record, such as a protective order, or an administrative record.

Additionally, at its discretion, the housing authority can accept a statement or other evidence provided by the applicant or participant.

If you fail to provide one of these documents within the required time, the landlord may evict you, and the housing authority may terminate your rental assistance.

### **Confidentiality**

The housing authority and your landlord must keep confidential any information you provide about the violence against you, unless:

- You give written permission to the housing authority or your landlord to release the information.
- Your landlord needs to use the information in an eviction proceeding, such as to evict your abuser.
- A law requires the housing authority or your landlord to release the information.

If release of the information would put your safety at risk, you should inform the housing authority and your landlord.

### **VAWA and Other Laws**

VAWA does not limit the housing authority’s or your landlord’s duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking.

## **For Additional Information**

If you have any questions regarding VAWA, please contact Womenspace at (541) 485-8232. Sexual Assault Support Services (SASS) at (541) 343-7277.

For help and advice on escaping an abusive relationship, call the National Domestic Violence Hotline at 1-800-799-SAFE (7233) or 1-800-787-3224 (TTY).

## **Definitions**

For purposes of determining whether a participant may be covered by VAWA, the following list of definitions applies:

VAWA defines *domestic violence* to include felony or misdemeanor crimes of violence committed by any of the following:

- A current or former spouse or intimate partner of the victim
- A person with whom the victim shares a child in common
- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

VAWA defines *dating violence* as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

VAWA defines *sexual assault* as “any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent” (42 U.S.C. 13925(a)).

VAWA defines *stalking* as engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

**EXHIBIT 16-2: SAMPLE NOTICE TO HOUSING CHOICE VOUCHER OWNERS AND MANAGERS REGARDING THE VIOLENCE AGAINST WOMEN ACT (VAWA)**

*This sample notice was adapted from a notice prepared by the National Housing Law Project.*

A federal law that went into effect in 2013 protects individuals who are victims of domestic violence, dating violence, sexual assault, and stalking. The name of the law is the Violence against Women Act, or “VAWA.” This notice explains your obligations under VAWA.

**Protections for Victims**

You cannot refuse to rent to an applicant solely because he or she is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

You cannot evict a tenant who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking based on acts or threats of violence committed against the victim. Also, criminal acts directly related to the domestic violence, dating violence, sexual assault, or stalking that are caused by a household member or guest cannot be cause for evicting the victim of the abuse.

**Permissible Evictions**

You can evict a victim of domestic violence, dating violence, sexual assault, or stalking if you can demonstrate that there is an *actual and imminent* (immediate) threat to other tenants or employees at the property if the victim is not evicted. Also, you may evict a victim for serious or repeated lease violations that are not related to the domestic violence, dating violence, sexual assault, or stalking. You cannot hold a victim of domestic violence, dating violence, sexual assault, or stalking to a more demanding standard than you hold tenants who are not victims.

**Removing the Abuser from the Household**

You may bifurcate (split) the lease to evict a tenant who has committed criminal acts of violence against family members or others, while allowing the victim and other household members to stay in the unit. If you choose to remove the abuser, you may not take away the remaining tenants’ rights to the unit or otherwise punish the remaining tenants. In removing the abuser from the household, you must follow federal, state, and local eviction procedures.

## **Certification of Domestic Violence, Dating Violence, Sexual Assault, or Stalking**

If a tenant asserts VAWA's protections, you can ask the tenant to certify that he or she is a victim of domestic violence, dating violence, sexual assault, or stalking. You are not required to demand official documentation and may rely upon the victim's statement alone. If you choose to request certification, you must do so in writing and give the tenant at least 14 business days to provide documentation. You are free to extend this deadline. A tenant can certify that he or she is a victim by providing any one of the following three documents:

- A completed, signed HUD-approved certification form. The most recent form is HUD-50066. This form is available at the housing authority or online at [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/forms/hud5](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/forms/hud5).
- A statement from a victim service provider, attorney, mental health professional, or medical professional who has helped the victim address incidents of domestic violence, dating violence, sexual assault, or stalking. The professional must state that he or she believes that the incidents of abuse are real. Both the victim and the professional must sign the statement under penalty of perjury.
- A police or court record, such as a protective order, or administrative record.

If the tenant fails to provide one of these documents within 14 business days, you may evict the tenant if authorized by otherwise applicable law and lease provisions.

### **Confidentiality**

You must keep confidential any information a tenant provides to certify that he or she is a victim of domestic violence, dating violence, sexual assault, or stalking. You cannot enter the information into a shared database or reveal it to outside entities unless:

- The tenant provides written permission releasing the information.
- The information is required for use in an eviction proceeding, such as to evict the abuser.
- Release of the information is otherwise required by law.

The victim should inform you if the release of the information would put his or her safety at risk.

### **VAWA and Other Laws**

VAWA does not limit your obligation to honor court orders regarding access to or control of the property. This includes orders issued to protect the victim and orders dividing property among household members in cases where a family breaks up.

VAWA does not replace any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking.

### **Additional Information**

- If you have any questions regarding VAWA, please contact Womenspace at (541) 485-8232
- Sexual Assault Support Services (SASS) at (541) 343-7277.

## Definitions

For purposes of determining whether a tenant may be covered by VAWA, the following list of definitions applies:

VAWA defines *domestic violence* to include felony or misdemeanor crimes of violence committed by any of the following:

- A current or former spouse or intimate partner of the victim
- A person with whom the victim shares a child in common
- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies
- Any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction

VAWA defines *dating violence* as violence committed by a person (1) who is or has been in a social relationship of a romantic or intimate nature with the victim AND (2) where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

VAWA defines *sexual assault* as "any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent" (42 U.S.C. 13925(a)).

VAWA defines *stalking* as engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others, or suffer substantial emotional distress.

## GLOSSARY

### **A. ACRONYMS USED IN THE HOUSING CHOICE VOUCHER (HCV) PROGRAM**

<b>AAF</b>	Annual adjustment factor (published by HUD in the <i>Federal Register</i> and used to compute annual rent adjustments)
<b>ACC</b>	Annual contributions contract
<b>ADA</b>	Americans with Disabilities Act of 1990
<b>AIDS</b>	Acquired immune deficiency syndrome
<b>BR</b>	Bedroom
<b>CDBG</b>	Community Development Block Grant (Program)
<b>CFR</b>	Code of Federal Regulations (published federal rules that define and implement laws; commonly referred to as “the regulations”)
<b>CPI</b>	Consumer price index (published monthly by the Department of Labor as an inflation indicator)
<b>EID</b>	Earned income disallowance
<b>EIV</b>	Enterprise Income Verification
<b>FDIC</b>	Federal Deposit Insurance Corporation
<b>FHA</b>	Federal Housing Administration (HUD Office of Housing)
<b>FHEO</b>	Fair Housing and Equal Opportunity (HUD Office of)
<b>FICA</b>	Federal Insurance Contributions Act (established Social Security taxes)
<b>FMR</b>	Fair market rent
<b>FR</b>	Federal Register
<b>FSS</b>	Family Self-Sufficiency (Program)
<b>FY</b>	Fiscal year
<b>FYE</b>	Fiscal year end
<b>GAO</b>	Government Accountability Office
<b>GR</b>	Gross rent
<b>HA</b>	Housing authority or housing agency
<b>HAP</b>	Housing assistance payment
<b>HCV</b>	Housing choice voucher
<b>HQS</b>	Housing quality standards
<b>HUD</b>	Department of Housing and Urban Development
<b>HUDCLIPS</b>	HUD Client Information and Policy System

<b>IPA</b>	Independent public accountant
<b>IRA</b>	Individual retirement account
<b>IRS</b>	Internal Revenue Service
<b>JTPA</b>	Job Training Partnership Act
<b>LBP</b>	Lead-based paint
<b>LEP</b>	Limited English proficiency
<b>MSA</b>	Metropolitan statistical area (established by the U.S. Census Bureau)
<b>MTCS</b>	Multi-family Tenant Characteristics System (now the Form HUD-50058 submodule of the PIC system)
<b>MTW</b>	Moving to Work
<b>NOFA</b>	Notice of funding availability
<b>OGC</b>	HUD's Office of General Counsel
<b>OIG</b>	HUD's Office of Inspector General
<b>OMB</b>	Office of Management and Budget
<b>PASS</b>	Plan to Achieve Self-Support
<b>PHA</b>	Public housing agency
<b>PIC</b>	PIH Information Center
<b>PIH</b>	(HUD Office of) Public and Indian Housing
<b>PS</b>	Payment standard
<b>QC</b>	Quality control
<b>REAC</b>	(HUD) Real Estate Assessment Center
<b>RFP</b>	Request for proposals
<b>RFTA</b>	Request for tenancy approval
<b>RIGI</b>	Regional inspector general for investigation (handles fraud and program abuse matters for HUD at the regional office level)
<b>SEMAP</b>	Section 8 Management Assessment Program
<b>SRO</b>	Single room occupancy
<b>SSA</b>	Social Security Administration
<b>SSI</b>	Supplemental security income
<b>SWICA</b>	State wage information collection agency

<b>TANF</b>	Temporary assistance for needy families
<b>TPV</b>	Tenant protection vouchers
<b>TR</b>	Tenant rent
<b>TTP</b>	Total tenant payment
<b>UA</b>	Utility allowance
<b>UFAS</b>	Uniform Federal Accessibility Standards
<b>UIV</b>	Upfront income verification
<b>URP</b>	Utility reimbursement payment
<b>VAWA</b>	Violence Against Women Reauthorization Act of 2013

## **B. GLOSSARY OF SUBSIDIZED HOUSING TERMS**

***Absorption.*** In portability (under subpart H of this part 982): the point at which a receiving PHA stops billing the initial PHA for assistance on behalf of a portability family. The receiving PHA uses funds available under the receiving PHA consolidated ACC.

***Accessible.*** The facility or portion of the facility can be approached, entered, and used by persons with disabilities.

***Adjusted income.*** Annual income, less allowable HUD deductions and allowances.

***Administrative fee.*** Fee paid by HUD to the PHA for administration of the program. See §982.152.

***Administrative plan.*** The plan that describes PHA policies for administration of the tenant-based programs. The Administrative Plan and any revisions must be approved by the PHA's board and included as a supporting document to the PHA Plan. See §982.54.

***Admission.*** The point when the family becomes a participant in the program. The date used for this purpose is the effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program.

***Affiliated individual.*** With respect to an individual, a spouse, parent, brother, sister, or child of that individual, or an individual to whom that individual stands in loco parentis (in the place of a parent), or any individual, tenant, or lawful occupant living in the household of that individual

***Amortization payment.*** In a manufactured home space rental: The monthly debt service payment by the family to amortize the purchase price of the manufactured home.

***Annual.*** Happening once a year.

***Annual contributions contract (ACC).*** The written contract between HUD and a PHA under which HUD agrees to provide funding for a program under the 1937 Act, and the PHA agrees to comply with HUD requirements for the program.

***Annual income.*** The anticipated total income of an eligible family from all sources for the 12-month period following the date of determination of income, computed in accordance with the regulations.

***Applicant (applicant family).*** A family that has applied for admission to a program but is not yet a participant in the program.

***Area exception rent.*** An amount that exceeds the published FMR. See 24 CFR 982.504(b).

***As-paid states.*** States where the welfare agency adjusts the shelter and utility component of the welfare grant in accordance with actual housing costs.

***Assets.*** (See *net family assets.*)

***Auxiliary aids.*** Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving federal financial assistance.

***Biennial.*** Happening every two years.

***Bifurcate.*** With respect to a public housing or Section 8 lease, to divide a lease as a matter of law such that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

***Budget authority.*** An amount authorized and appropriated by the Congress for payment to PHAs under the program. For each funding increment in a PHA program, budget authority is the maximum amount that may be paid by HUD to the PHA over the ACC term of the funding increment.

***Child.*** A member of the family other than the family head or spouse who is under 18 years of age.

***Child care expenses.*** Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which annual income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care. In the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

***Citizen.*** A citizen or national of the United States.

***Cohead.*** An individual in the household who is equally responsible for the lease with the head of household. A family may have a cohead or spouse but not both. A cohead never qualifies as a dependent. The cohead must have legal capacity to enter into a lease.

***Common space.*** In shared housing, the space available for use by the assisted family and other occupants of the unit.

***Computer match.*** The automated comparison of databases containing records about individuals.

***Confirmatory review.*** An on-site review performed by HUD to verify the management performance of a PHA.

***Consent form.*** Any consent form approved by HUD to be signed by assistance applicants and participants to obtain income information from employers and SWICAs; return information from the Social Security Administration (including wages, net earnings from self-employment, and retirement income); and return information for unearned income from the IRS. Consent forms expire after a certain time and may authorize the collection of other information to determine eligibility or level of benefits.

***Congregate housing.*** Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing. A special housing type: see 24 CFR 982.606–609.

***Contiguous MSA.*** In portability (under subpart H of part 982): An MSA that shares a common boundary with the MSA in which the jurisdiction of the initial PHA is located.

***Continuously assisted.*** An applicant is continuously assisted under the 1937 Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

***Contract authority.*** The maximum annual payment by HUD to a PHA for a funding increment.

**Cooperative** (term includes mutual housing). Housing owned by a nonprofit corporation or association, and where a member of the corporation or association has the right to reside in a particular apartment, and to participate in management of the housing. A special housing type (see 24 CFR 982.619).

**Covered families.** Statutory term for families who are required to participate in a welfare agency economic self-sufficiency program and who may be subject to a welfare benefit sanction for noncompliance with this obligation. Includes families who receive welfare assistance or other public assistance under a program for which federal, state or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition for the assistance.

**Dating violence.** Violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim; and where the existence of such a relationship shall be determined based on a consideration of the following factors:

- The length of the relationship
- The type of relationship
- The frequency of interaction between the persons involved in the relationship

**Dependent.** A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.

**Dependent child.** In the context of the student eligibility restrictions, a dependent child of a student enrolled in an institution of higher education. The dependent child must also meet the definition of *dependent* as specified above.

**Disability assistance expenses.** Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member, and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

**Disabled family.** A family whose head, cohead, spouse, or sole member is a person with disabilities; two or more persons with disabilities living together; or one or more persons with disabilities living with one or more live-in aides.

**Disabled person.** See *person with disabilities*.

**Disallowance.** Exclusion from annual income.

**Displaced family.** A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.

**Domestic violence.** Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim

who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

**Domicile.** The legal residence of the household head or spouse as determined in accordance with state and local law.

**Drug-related criminal activity.** 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.

**Economic self-sufficiency program.** Any program designed to encourage, assist, train or facilitate the economic independence of assisted families, or to provide work for such families. Can include job training, employment counseling, work placement, basic skills training, education, English proficiency, Workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as treatment for drug abuse or mental health treatment). Includes any work activities as defined in the Social Security Act (42 U.S.C. 607(d)). Also see 24 CFR 5.603(c).

**Elderly family.** A family whose head, cohead, spouse, or sole member is a person who is at least 62 years of age; two or more persons who are at least 62 years of age living together; or one or more persons who are at least 62 years of age living with one or more live-in aides.

**Elderly person.** An individual who is at least 62 years of age.

**Eligible family** A family that is income eligible and meets the other requirements of the 1937 Act and Part 5 of 24 CFR. See also *family*.

**Employer identification number (EIN).** The nine-digit taxpayer identifying number that is assigned to an individual, trust, estate, partnership, association, company, or corporation.

**Evidence of citizenship or eligible status.** The documents which must be submitted as evidence of citizenship or eligible immigration status. See 24 CFR 5.508(b).

**Extremely low-income family.** A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher. Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of median income if HUD finds such variations are necessary due to unusually high or low family incomes. See 24 CFR 5.603.

**Facility.** All or any portion of buildings, structures, equipment, roads, walks, parking lots, rolling stock, or other real or personal property or interest in the property.

**Fair Housing Act.** Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988.

**Fair market rent (FMR).** The rent, including the cost of utilities (except telephone), as established by HUD for units of varying sizes (by number of bedrooms), that must be paid in the housing market area to rent privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. See periodic publications in the *Federal Register* in accordance with 24 CFR Part 888.

**Family.** Includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status, and can be further defined in PHA policy.

- A family with or without children (the temporary absence of a child from the home due to placement in foster care is not considered in determining family composition and family size)
- An elderly family or a near-elderly family
- A displaced family
- The remaining member of a tenant family
- A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

**Family rent to owner.** In the voucher program, the portion of rent to owner paid by the family.

**Family self-sufficiency program (FSS program).** The program established by a PHA in accordance with 24 CFR part 984 to promote self-sufficiency of assisted families, including the coordination of supportive services (42 U.S.C. 1437u).

**Family share.** The portion of rent and utilities paid by the family. For calculation of family share, see 24 CFR 982.515(a).

**Family unit size.** The appropriate number of bedrooms for a family, as determined by the PHA under the PHA subsidy standards.

**Federal agency.** A department of the executive branch of the federal government.

**Foster child care payment.** A payment to eligible households by state, local, or private agencies appointed by the state to administer payments for the care of foster children.

**Full-time student.** A person who is attending school or vocational training on a full-time basis (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended). See 24 CFR 5.603.

**Funding increment.** Each commitment of budget authority by HUD to a PHA under the consolidated annual contributions contract for the PHA program.

**Gender identity.** Actual or perceived gender-related characteristics.

**Gross rent.** The sum of the rent to owner plus any utility allowance.

**Group home.** A dwelling unit that is licensed by a state as a group home for the exclusive residential use of two to twelve persons who are elderly or persons with disabilities (including any live-in aide). (A special housing type: see 24 CFR 982.610–614.)

**Handicap.** Any condition or characteristic that renders a person an individual with handicaps. (See *person with disabilities*.)

**HAP contract.** The housing assistance payments contract. A written contract between the PHA and an owner for the purpose of providing housing assistance payments to the owner on behalf of an eligible family.

**Head of household.** The adult member of the family who is the head of the household for purposes of determining income eligibility and rent.

**Household.** A household includes additional people other than the family who, with the PHA's permission, live in an assisted unit, such as live-in aides, foster children, and foster adults.

**Housing assistance payment.** The monthly assistance payment by a PHA, which includes: (1) A payment to the owner for rent to the owner under the family's lease; and (2) An additional payment to the family if the total assistance payment exceeds the rent to owner.

**Housing agency (HA).** See *public housing agency*.

**Housing quality standards (HQS).** The HUD minimum quality standards for housing assisted under the voucher program.

**HUD.** The U.S. Department of Housing and Urban Development.

**Imputed asset.** An asset disposed of for less than fair market value during the two years preceding examination or reexamination.

**Imputed asset income.** The PHA-established passbook rate multiplied by the total cash value of assets. The calculation is used when net family assets exceed \$5,000.

**Imputed welfare income.** An amount of annual income that is not actually received by a family as a result of a specified welfare benefit reduction, but is included in the family's annual income and therefore reflected in the family's rental contribution.

**Income.** Income from all sources of each member of the household, as determined in accordance with criteria established by HUD.

**Income for eligibility.** Annual income.

**Income information** means information relating to an individual's income, including:

- All employment income information known to current or previous employers or other income sources
- All information about wages, as defined in the state's unemployment compensation law, including any social security number; name of the employee; quarterly wages of the employee; and the name, full address, telephone number, and, when known, employer identification number of an employer reporting wages under a state unemployment compensation law
- Whether an individual is receiving, has received, or has applied for unemployment compensation, and the amount and the period received
- Unearned IRS income and self-employment, wages, and retirement income
- Wage, social security, and supplemental security income data obtained from the Social Security Administration.

**Individual with handicaps.** See *person with disabilities*.

**Initial PHA.** In portability, the term refers to both: (1) A PHA that originally selected a family that later decides to move out of the jurisdiction of the selecting PHA; and (2) A PHA that absorbed a family that later decides to move out of the jurisdiction of the absorbing PHA.

**Initial payment standard.** The payment standard at the beginning of the HAP contract term.

**Initial rent to owner.** The rent to owner at the beginning of the HAP contract term.

***Institution of higher education.*** An institution of higher education as defined in 20 U.S.C. 1001 and 1002. See Exhibit 3-2 in this Administrative Plan.

***Jurisdiction.*** The area in which the PHA has authority under state and local law to administer the program.

***Landlord.*** Either the owner of the property or his/her representative, or the managing agent or his/her representative, as shall be designated by the owner.

***Lease.*** A written agreement between an owner and a tenant for the leasing of a dwelling unit to the tenant. The lease establishes the conditions for occupancy of the dwelling unit by a family with housing assistance payments under a HAP contract between the owner and the PHA.

***Live-in aide.*** A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

- Is determined to be essential to the care and well-being of the persons;
- Is not obligated for the support of the persons; and
- Would not be living in the unit except to provide the necessary supportive services.

***Living/sleeping room.*** A living room may be used as sleeping (bedroom) space, but no more than two persons may occupy the space. A bedroom or living/sleeping room must have at least one window and two electrical outlets in proper operating condition. See HCV GB p. 10-6 and 24 CFR 982.401.

***Local preference.*** A preference used by the PHA to select among applicant families.

***Low-income family.*** A family whose income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller or larger families, except that HUD may establish income limits higher or lower than 80 percent for areas with unusually high or low incomes.

***Manufactured home.*** A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS. (A special housing type: see 24 CFR 982.620 and 982.621.)

***Manufactured home space.*** In manufactured home space rental: A space leased by an owner to a family. A manufactured home owned and occupied by the family is located on the space. See 24 CFR 982.622 to 982.624.

***Medical expenses.*** Medical expenses, including medical insurance premiums, that are anticipated during the period for which annual income is computed, and that are not covered by insurance (a deduction for elderly or disabled families only). These allowances are given when calculating adjusted income for medical expenses in excess of 3 percent of annual income.

***Minor.*** A member of the family household other than the family head or spouse, who is under 18 years of age.

***Mixed family.*** A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

**Monthly adjusted income.** One twelfth of adjusted income.

**Monthly income.** One twelfth of annual income.

**Mutual housing.** Included in the definition of *cooperative*.

**National.** A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

**Near-elderly family.** A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

**Net family assets.** (1) Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. The value of necessary items of personal property such as furniture and automobiles shall be excluded.

- In cases where a trust fund has been established and the trust is not revocable by, or under the control of, any member of the family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining annual income under §5.609.
- In determining net family assets, PHAs or owners, as applicable, shall include the value of any business or family assets disposed of by an applicant or tenant for less than fair market value (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or tenant receives important consideration not measurable in dollar terms.

**Noncitizen.** A person who is neither a citizen nor national of the United States.

**Notice of funding availability (NOFA).** For budget authority that HUD distributes by competitive process, the *Federal Register* document that invites applications for funding. This document explains how to apply for assistance and the criteria for awarding the funding.

**Office of General Counsel (OGC).** The General Counsel of HUD.

**Overcrowded.** A unit that does not meet the following HQS space standards: (1) Provide adequate space and security for the family; and (2) Have at least one bedroom or living/sleeping room for each two persons.

**Owner.** Any person or entity with the legal right to lease or sublease a unit to a participant.

**PHA Plan.** The annual plan and the 5-year plan as adopted by the PHA and approved by HUD.

***PHA's quality control sample.*** An annual sample of files or records drawn in an unbiased manner and reviewed by a PHA supervisor (or by another qualified person other than the person who performed the original work) to determine if the work documented in the files or records conforms to program requirements. For minimum sample size see CFR 985.3.

***Participant (participant family).*** A family that has been admitted to the PHA program and is currently assisted in the program. The family becomes a participant on the effective date of the first HAP contract executed by the PHA for the family (first day of initial lease term).

***Payment standard.*** The maximum monthly assistance payment for a family assisted in the voucher program (before deducting the total tenant payment by the family).

***Person with disabilities.*** *For the purposes of program eligibility.* A person who has a disability as defined under the Social Security Act or Developmental Disabilities Care Act, or a person who has a physical or mental impairment expected to be of long and indefinite duration and whose ability to live independently is substantially impeded by that impairment but could be improved by more suitable housing conditions. This includes persons with AIDS or conditions arising from AIDS but excludes persons whose disability is based solely on drug or alcohol dependence. *For the purposes of reasonable accommodation.* A person with a physical or mental impairment that substantially limits one or more major life activities, a person regarded as having such an impairment, or a person with a record of such an impairment.

***Portability.*** Renting a dwelling unit with a Section 8 housing choice voucher outside the jurisdiction of the initial PHA.

***Premises.*** The building or complex in which the dwelling unit is located, including common areas and grounds.

***Previously unemployed.*** With regard to the earned income disallowance, a person with disabilities who has earned, in the 12 months previous to employment, no more than would be received for 10 hours of work per week for 50 weeks at the established minimum wage.

***Private space.*** In shared housing, the portion of a contract unit that is for the exclusive use of an assisted family.

***Processing entity.*** The person or entity that, under any of the programs covered, is responsible for making eligibility and related determinations and any income reexamination. In the HCV program, the "processing entity" is the "responsible entity."

***Project owner.*** The person or entity that owns the housing project containing the assisted dwelling unit.

***Public assistance.*** Welfare or other payments to families or individuals, based on need, which are made under programs funded, separately or jointly, by federal, state, or local governments.

***Public housing agency (PHA).*** Any state, county, municipality, or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act.

**Qualified family** (under the earned income disallowance). A family participating in an applicable assisted housing program or receiving HCV assistance:

- Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for temporary assistance for needy families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering temporary assistance for needy families (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

**Qualified census tract.** With regard to certain tax credit units, any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent, and where the census tract is designated as a qualified census tract by HUD.

**Reasonable rent.** A rent to owner that is not more than rent charged: (1) For comparable units in the private unassisted market; and (2) For comparable unassisted units in the premises.

**Reasonable accommodation.** A change, exception, or adjustment to a rule, policy, practice, or service to allow a person with disabilities to fully access the PHA's programs or services.

**Receiving PHA.** In portability: A PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA issues a voucher and provides program assistance to the family.

**Recertification.** Sometimes called *reexamination*. The process of securing documentation of total family income used to determine the rent the tenant will pay for the next 12 months if there are no additional changes to be reported.

**Remaining member of the tenant family.** The person left in assisted housing who may or may not normally qualify for assistance on their own circumstances (i.e., an elderly spouse dies, leaving widow age 47 who is not disabled).

**Rent to owner.** The total monthly rent payable to the owner under the lease for the unit (also known as contract rent). Rent to owner covers payment for any housing services, maintenance, and utilities that the owner is required to provide and pay for.

**Residency preference.** A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area (See *residency preference area*).

**Residency preference area.** The specified area where families must reside to qualify for a residency preference.

**Responsible entity.** For the public housing and the Section 8 tenant-based assistance, project-based certificate assistance, and moderate rehabilitation programs, the responsible entity means the PHA administering the program under an ACC with HUD. For all other Section 8 programs, the responsible entity means the Section 8 owner.

**Secretary.** The Secretary of Housing and Urban Development.

**Section 8.** Section 8 of the United States Housing Act of 1937.

**Section 8 covered programs.** All HUD programs which assist housing under Section 8 of the 1937 Act, including Section 8 assisted housing for which loans are made under Section 202 of the Housing Act of 1959.

**Section 214.** Section 214 of the Housing and Community Development Act of 1980, as amended.

**Section 214 covered programs.** The collective term for the HUD programs to which the restrictions imposed by Section 214 apply. These programs are set forth in 24 CFR 5.500.

**Security deposit.** A dollar amount (maximum set according to the regulations) which can be used for unpaid rent or damages to the owner upon termination of the lease.

**Set-up charges.** In a manufactured home space rental, charges payable by the family for assembling, skirting, and anchoring the manufactured home.

**Sexual assault.** Any nonconsensual sexual act proscribed by federal, tribal, or state law, including when the victim lacks capacity to consent (42 U.S.C. 13925(a)).

**Sexual orientation.** Homosexuality, heterosexuality or bisexuality.

**Shared housing.** A unit occupied by two or more families. The unit consists of both common space for shared use by the occupants of the unit and separate private space for each assisted family. (A special housing type: see 24 CFR 982.615–982.618.)

**Single person.** A person living alone or intending to live alone.

**Single room occupancy housing (SRO).** A unit that contains no sanitary facilities or food preparation facilities, or contains either, but not both, types of facilities. (A special housing type: see 24 CFR 982.602–982.605.)

**Social security number (SSN).** The nine-digit number that is assigned to a person by the Social Security Administration and that identifies the record of the person's earnings reported to the Social Security Administration. The term does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary.

**Special admission.** Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

**Special housing types.** See subpart M of part 982. Subpart M states the special regulatory requirements for: SRO housing, congregate housing, group homes, shared housing, cooperatives (including mutual housing), and manufactured homes (including manufactured home space rental).

**Specified welfare benefit reduction.** Those reductions of welfare benefits (for a covered family) that may not result in a reduction of the family rental contribution. A reduction of welfare benefits because of fraud in connection with the welfare program, or because of welfare sanction due to noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program.

**Spouse.** The marriage partner of the head of household.

**Stalking.** To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (1) that person, (2) a member of the immediate family of that person, or (3) the spouse or intimate partner of that person.

**State wage information collection agency (SWICA).** The state agency, including any Indian tribal agency, receiving quarterly wage reports from employers in the state, or an alternative system that has been determined by the Secretary of Labor to be as effective and timely in providing employment-related income and eligibility information.

**Subsidy standards.** Standards established by a PHA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions.

**Suspension.** Stopping the clock on the term of a family's voucher after the family submits a request for tenancy approval. If the PHA decides to allow extensions or suspensions of the voucher term, the PHA administrative plan must describe how the PHA determines whether to grant extensions or suspensions, and how the PHA determines the length of any extension or suspension. This practice is also called *tolling*.

**Tax credit rent.** With regard to certain tax credit units, the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

**Tenancy addendum.** For the housing choice voucher program, the lease language required by HUD in the lease between the tenant and the owner.

**Tenant.** The person or persons (other than a live-in aide) who executes the lease as lessee of the dwelling unit.

**Tenant rent to owner.** See *family rent to owner*.

**Term of lease.** The amount of time a tenant agrees in writing to live in a dwelling unit.

**Total tenant payment (TTP).** The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

**Unit.** Residential space for the private use of a family. The size of a unit is based on the number of bedrooms contained within the unit and generally ranges from zero (0) bedrooms to six (6) bedrooms.

**Utilities.** Water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection, and sewage services. Telephone service is not included.

**Utility allowance.** If the cost of utilities (except telephone) and other housing services for an assisted unit is not included in the tenant rent but is the responsibility of the family occupying the unit, an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment.

**Utility reimbursement.** In the voucher program, the portion of the housing assistance payment which exceeds the amount of rent to owner.

**Utility hook-up charge.** In a manufactured home space rental: Costs payable by a family for connecting the manufactured home to utilities such as water, gas, electrical and sewer lines.

**Very low-income family.** A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes. This is the income limit for the housing choice voucher program.

**Veteran.** A person who has served in the active military or naval service of the United States at any time and who shall have been discharged or released therefrom under conditions other than dishonorable.

**Violence Against Women Reauthorization Act (VAWA) of 2013.** Prohibits denying admission to the program to an otherwise qualified applicant on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

**Violent criminal activity.** Any illegal criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another.

**Voucher (housing choice voucher).** A document issued by a PHA to a family selected for admission to the housing choice voucher program. This document describes the program and the procedures for PHA approval of a unit selected by the family. The voucher also states obligations of the family under the program.

**Voucher holder.** A family holding a voucher with an unexpired term (search time).

**Voucher program.** The housing choice voucher program.

**Waiting list.** A list of families organized according to HUD regulations and PHA policy who are waiting for a unit to become available.

**Waiting list admission.** An admission from the PHA waiting list.

**Welfare assistance.** Income assistance from federal or state welfare programs, including assistance provided under TANF and general assistance. Does not include assistance directed solely to meeting housing expenses, nor programs that provide health care, child care or other services for working families. For the FSS program (984.103(b)), *welfare assistance* includes only cash maintenance payments from federal or state programs designed to meet a family's ongoing basic needs, but does not include food stamps, emergency rental and utilities assistance, SSI, SSDI, or social security.

## Chapter 17

### PROJECT-BASED VOUCHERS

#### INTRODUCTION

This chapter describes HUD regulations and PHA policies related to the project-based voucher (PBV) program in nine parts:

Part I: General Requirements. This part describes general provisions of the PBV program including maximum budget authority requirements, relocation requirements, and equal opportunity requirements.

Part II: PBV Owner Proposals. This part includes policies related to the submission and selection of owner proposals for PBV assistance. It describes the factors the PHA will consider when selecting proposals, the type of housing that is eligible to receive PBV assistance, the cap on assistance at projects receiving PBV assistance, subsidy layering requirements, site selection standards, and environmental review requirements.

Part III: Dwelling Units. This part describes requirements related to housing quality standards, the type and frequency of inspections, and housing accessibility for persons with disabilities.

Part IV: Rehabilitated and Newly Constructed Units. This part describes requirements and policies related to the development and completion of rehabilitated and newly constructed housing units that will be receiving PBV assistance.

Part V: Housing Assistance Payments Contract. This part discusses HAP contract requirements and policies including the execution, term, and termination of the HAP contract. In addition, it describes how the HAP contract may be amended and identifies provisions that may be added to the HAP contract at the PHA's discretion.

Part VI: Selection of PBV Program Participants. This part describes the requirements and policies governing how the PHA and the owner will select a family to receive PBV assistance.

Part VII: Occupancy. This part discusses occupancy requirements related to the lease, and describes under what conditions families are allowed or required to move. In addition, exceptions to the occupancy cap (which limits PBV assistance to 25 percent of the units in any project) are also discussed.

Part VIII: Determining Rent to Owner. This part describes how the initial rent to owner is determined, and how rent will be redetermined throughout the life of the HAP contract. Rent reasonableness requirements are also discussed.

Part IX: Payments to Owner. This part describes the types of payments owners may receive under this program.



## **PART I: GENERAL REQUIREMENTS**

### **17-I.A. OVERVIEW [24 CFR 983.5]**

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

#### PHA Policy

The PHA will operate a project-based voucher program using up to 20 percent of its budget authority for project-based assistance.

PBV assistance may be attached to existing housing or newly constructed or rehabilitated housing [24 CFR 983.52]. If PBV units are already selected for project-based assistance either under an agreement to enter into HAP Contract (Agreement) or a HAP contract, the PHA is not required to reduce the number of these units if the amount of budget authority is subsequently reduced. However, the PHA is responsible for determining the amount of budget authority that is available for project-based vouchers and ensuring that the amount of assistance that is attached to units is within the amounts available under the ACC [24 CFR 983.6].

### **17-I.B. TENANT-BASED VS. PROJECT-BASED VOUCHER ASSISTANCE [24 CFR 983.2]**

Much of the tenant-based voucher program regulations also apply to the PBV program. Consequently, many of the PHA policies related to tenant-based assistance also apply to PBV assistance. The provisions of the tenant-based voucher regulations that do not apply to the PBV program are listed at 24 CFR 983.2.

#### PHA Policy

Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the PHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

### **17-I.C. RELOCATION REQUIREMENTS [24 CFR 983.7]**

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

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. PHAs may not use voucher program funds to cover relocation costs, except that PHAs may use their administrative fee reserve to pay for relocation expenses after all other program administrative expenses are satisfied, and provided that payment of the relocation benefits is consistent with state and local law. Use of the administrative fee for these purposes must also be consistent with other legal and regulatory requirements, including the requirement in 24 CFR 982.155 and other official HUD issuances.

The acquisition of real property for a PBV project is subject to the URA and 49 CFR part 24, subpart B. It is the responsibility of the PHA to ensure the owner complies with these requirements.

### **17-I.D. EQUAL OPPORTUNITY REQUIREMENTS [24 CFR 983.8]**

The PHA must comply with all equal opportunity requirements under federal law and regulations in its implementation of the PBV program. This includes the requirements and authorities cited at 24 CFR 5.105(a). In addition, the PHA must comply with the PHA Plan certification on civil rights and affirmatively furthering fair housing, submitted in accordance with 24 CFR 903.7(o).

## **PART II: PBV OWNER PROPOSALS**

### **17-II.A. OVERVIEW**

The PHA must describe the procedures for owner submission of PBV proposals and for PHA selection of PBV proposals [24 CFR 983.51]. Before selecting a PBV proposal, the PHA must determine that the PBV proposal complies with HUD program regulations and requirements, including a determination that the property is eligible housing [24 CFR 983.53 and 983.54], complies with the cap on the number of PBV units per project [24 CFR 983.56], and meets the site selection standards [24 CFR 983.57]. The PHA may not commit PBVs until or unless it has followed the proposal selection requirements defined in 24 CFR 983.51 [Notice PIH 2011-54].

### **17-II.B. OWNER PROPOSAL SELECTION PROCEDURES [24 CFR 983.51(b)]**

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

- PHA request for PBV Proposals. The PHA may solicit proposals by using a request for proposals to select proposals on a competitive basis in response to the PHA request. The PHA may not limit proposals to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals for PBV housing on different sites.
- The PHA may select proposal that were previously selected based on a competition. This may include selection of a proposal for housing assisted under a federal, state, or local government housing assistance program that was subject to a competition in accordance with the requirements of the applicable program, community development program, or supportive services program that requires competitive selection of proposals (e.g., HOME, and units for which competitively awarded LIHTCs have been provided), where the proposal has been selected in accordance with such program's competitive selection requirements within three years of the PBV proposal selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance. The PHA need not conduct another competition.

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

PHA procedures for selecting PBV proposals must be designed and actually operated to provide broad public notice of the opportunity to offer PBV proposals for consideration by the PHA. The public notice procedures may include publication of the public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice. The public notice of the PHA request for PBV proposals must specify the submission deadline. Detailed application and selection information must be provided at the request of interested parties.

### PHA Policy

#### PHA Request for Proposals for Rehabilitated and Newly Constructed Units

The PHA will advertise its request for proposals (RFP) for rehabilitated and newly constructed housing in the following newspapers and trade journals.

**[Enter the names of the local newspapers of general circulation, and any trade journals that the PHA intends to use]**

In addition, the PHA will post the RFP and proposal submission and rating and ranking procedures on its electronic web site.

The PHA will publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the PHA estimates that it will be able to assist under the funding the PHA is making available. Proposals will be due in the PHA office by close of business 30 calendar days from the date of the last publication.

In order for the proposal to be considered, the owner must submit the proposal to the PHA by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

The PHA will rate and rank proposals for rehabilitated and newly constructed housing using the following criteria:

Owner experience and capability to build or rehabilitate housing as identified in the RFP;

Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities;

If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

Projects with less than 25 percent of the units assisted will be rated higher than projects with 25 percent of the units assisted. In the case of projects for occupancy by the elderly, persons with disabilities or families needing other services, the PHA will rate partially assisted projects on the percent of units assisted. Projects with the lowest percent of assisted units will receive the highest score.

### PHA Requests for Proposals for Existing Housing Units

The PHA will advertise its request for proposals (RFP) for existing housing in the following newspapers and trade journals.

**[Enter the names of the local newspapers of general circulation, and any trade journals that the PHA intends to use]**

In addition, the PHA will post the notice inviting such proposal submission and the rating and ranking procedures on its electronic web site.

The PHA will periodically publish its advertisement in the newspapers and trade journals mentioned above for at least one day per week for three consecutive weeks. The advertisement will specify the number of units the PHA estimates that it will be able to assist under the funding the PHA is making available. Owner proposals will be accepted on a first-come first-served basis and will be evaluated using the following criteria:

Experience as an owner in the tenant-based voucher program and owner compliance with the owner's obligations under the tenant-based program;

Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities;

If applicable, extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and

Extent to which units are occupied by families that are eligible to participate in the PBV program.

PHA Selection of Proposals Subject to a Previous Competition under a Federal, State, or Local Housing Assistance Program

The PHA will accept proposals for PBV assistance from owners that were competitively selected under another federal, state or local housing assistance program, including projects that were competitively awarded Low-Income Housing Tax Credits on an ongoing basis.

The PHA may periodically advertise that it is accepting proposals, in the following newspapers and trade journals:

**[Enter the names of the local newspapers of general circulation, and any trade journals that the PHA intends to use]**

In addition to, or in place of advertising, the PHA may also directly contact specific owners that have already been selected for Federal, state, or local housing assistance based on a previously held competition, to inform them of available PBV assistance.

Proposals will be reviewed on a first-come first-served basis. The PHA will evaluate each proposal on its merits using the following factors:

Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities; and

Extent to which the proposal complements other local activities such as the redevelopment of a public housing site under the HOPE VI program, the HOME program, CDBG activities, other development activities in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.

## **PHA-Owned Units [24 CFR 983.51(e), 983.59, and Notice PIH 2015-05]**

A PHA-owned unit may be assisted under the PBV program only if the HUD field office or HUD-approved independent entity reviews the selection process and determines that the PHA-owned units were appropriately selected based on the selection procedures specified in the PHA administrative plan. If the PHA selects a proposal for housing that is owned or controlled by the PHA, the PHA must identify the entity that will review the PHA proposal selection process and perform specific functions with respect to rent determinations and inspections.

In the case of PHA-owned units, the term of the HAP contract and any HAP contract renewal must be agreed upon by the PHA and a HUD-approved independent entity. In addition, an independent entity must determine the rent to owner, the redetermined rent to owner, and reasonable rent. Housing quality standards inspections must also be conducted by an independent entity.

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

### PHA Policy

The PHA may submit a proposal for project-based housing that is owned or controlled by the PHA. If the proposal for PHA-owned housing is selected, the PHA will use **[insert name of the entity]** to review the PHA selection and to administer the PBV program. The PHA will obtain HUD approval of **[insert name of entity]** prior to selecting the proposal for PHA-owned housing.

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

## **PHA Notice of Owner Selection [24 CFR 983.51(d)]**

The PHA must give prompt written notice to the party that submitted a selected proposal and must also give prompt public notice of such selection. Public notice procedures may include publication of public notice in a local newspaper of general circulation and other means designed and actually operated to provide broad public notice.

### PHA Policy

Within 10 business days of the PHA making the selection, the PHA will notify the selected owner in writing of the owner's selection for the PBV program. The PHA will also notify in writing all owners that submitted proposals that were not selected and advise such owners of the name of the selected owner.

In addition, the PHA will publish its notice for selection of PBV proposals for two consecutive days in the same newspapers and trade journals the PHA used to solicit the proposals. The announcement will include the name of the owner that was selected for the PBV program. The PHA will also post the notice of owner selection on its electronic web site.

The PHA will make available to any interested party its rating and ranking sheets and documents that identify the PHA basis for selecting the proposal. These documents will be available for review by the public and other interested parties for one month after publication of the notice of owner selection. The PHA will not make available sensitive owner information that is privileged, such as financial statements and similar information about the owner.

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

## **17-II.C. HOUSING TYPE [24 CFR 983.52]**

The PHA may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of PHA selection, the units substantially comply with HQS. Units for which new construction or rehabilitation began after the owner's proposal submission but prior to the execution of the HAP do not subsequently qualify as existing housing. Units that were newly constructed or rehabilitated in violation of program requirements also do not qualify as existing housing.

The PHA must decide what housing type, new construction, rehabilitation, or existing housing, will be used to develop project-based housing. The PHA choice of housing type must be reflected in its solicitation for proposals.

## **17-II.D. PROHIBITION OF ASSISTANCE FOR CERTAIN UNITS**

### **Ineligible Housing Types [24 CFR 983.53]**

The PHA may not attach or pay PBV assistance to shared housing units; units on the grounds of a penal reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (except that assistance may be provided in assisted living facilities); units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students; manufactured homes; and transitional housing. In addition, the PHA may not attach or pay PBV assistance for a unit occupied by an owner and the PHA may not select or enter into an agreement to enter into a HAP contract or HAP contract for a unit occupied by a family ineligible for participation in the PBV program. A member of a cooperative who owns shares in the project assisted under the PBV program is not considered an owner for purposes of participation in the PBV program. Finally, PBV assistance may not be attached to units for which construction or rehabilitation has started after the proposal submission and prior to the execution of an AHAP.

### **Subsidized Housing [24 CFR 983.54]**

A PHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing unit;
- A unit subsidized with any other form of Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- A Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or the PHA in accordance with HUD requirements.

**17-II.E. SUBSIDY LAYERING REQUIREMENTS [24 CFR 983.55, FR Notice 11/24/08, FR Notice 7/9/10, and FR Notice 6/25/14]**

The PHA may provide PBV assistance only in accordance with HUD subsidy layering regulations [24 CFR 4.13] and other requirements.

The subsidy layering review is intended to prevent excessive public assistance by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

Subsidy layering requirements do not apply to existing housing. A further subsidy layering review is not required for new construction or rehabilitation if HUD's designee has conducted a review that included a review of PBV assistance in accordance with the PBV subsidy layering guidelines.

The PHA must submit the necessary documentation to HUD for a subsidy layering review. Except in cases noted above, the PHA may not enter into an agreement to enter into a HAP contract or a HAP contract until HUD, or a HUD-approved housing credit agency (HCA), has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements. However, in order to satisfy applicable requirements, HCAs must conduct subsidy layering reviews in compliance with the guidelines set forth in the *Federal Register* notice published July 9, 2010.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

**17-II.F. CAP ON NUMBER OF PBV UNITS IN EACH PROJECT**

**25 Percent per Project Cap [24 CFR 983.56]**

In general, the PHA may not select a proposal to provide PBV assistance for units in a project or enter into an agreement to enter into a HAP or a HAP contract to provide PBV assistance for units in a project, if the total number of dwelling units in the project that will receive PBV assistance during the term of the PBV HAP contract is more than 25 percent of the number of dwelling units (assisted or unassisted) in the project.

## **Exceptions to 25 Percent per Project Cap [24 CFR 983.56(b)]**

Exceptions are allowed and PBV units are not counted against the 25 percent per project cap if:

- The units are in a single-family building (one to four units);
- The units are *excepted units* in a multifamily project because they are specifically made available for elderly and/or disabled families or families receiving supportive services (also known as *qualifying families*).

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

If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any other supportive services as defined in the PHA administrative plan, and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

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

### PHA Policy

The PHA will not require families living in excepted units to receive supportive services. Therefore, excepted units will be limited to units in single-family buildings and those made available for elderly or disabled families.

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

A PHA may establish local requirements designed to promote PBV assistance in partially assisted projects. A *partially assisted project* is a project in which there are fewer units covered by a HAP contract than residential units [24 CFR 983.3].

A PHA may establish a per-project cap on the number of units that will receive PBV assistance or other project-based assistance in a multifamily project containing excepted units or in a single-family building. A PHA may also determine not to provide PBV assistance for excepted units, or the PHA may establish a per-project cap of less than 25 percent.

### PHA Policy:

The PHA will not provide assistance for excepted units. Beyond that, the PHA will not impose any further cap on the number of PBV units assisted per project.

## **17-II.G. SITE SELECTION STANDARDS**

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

The PHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an agreement to enter into a HAP contract or HAP contract for units on the site, unless the PHA has determined that PBV assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the PHA Plan under 24 CFR 903 and the PHA administrative plan.

In addition, prior to selecting a proposal, the PHA must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable Civil Rights Laws, regulations, and Executive Orders, and that the site meets the HQS site and neighborhood standards at 24 CFR 982.401(l).

#### PHA Policy

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

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

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;

- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;

- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;

- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;

- A census tract where there has been an overall decline in the poverty rate within the past five years; or

- A census tract where there are meaningful opportunities for educational and economic advancement.

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

The PHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract for existing or rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards. The site must:

- Be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- Have adequate utilities and streets available to service the site;
- Promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

### **New Construction Site and Neighborhood Standards [24 CFR 983.57(e)]**

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the PHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;
- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

## **17-II.H. ENVIRONMENTAL REVIEW [24 CFR 983.58]**

The PHA activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The *responsible entity* is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The PHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

In the case of existing housing, the responsible entity that is responsible for the environmental review under 24 CFR part 58 must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

The PHA may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the PHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The PHA must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The PHA must require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

## **PART III: DWELLING UNITS**

### **17-III.A. OVERVIEW**

This part identifies the special housing quality standards that apply to the PBV program, housing accessibility for persons with disabilities, and special procedures for conducting housing quality standards inspections.

### **17-III.B. HOUSING QUALITY STANDARDS [24 CFR 983.101]**

The housing quality standards (HQS) for the tenant-based program, including those for special housing types, generally apply to the PBV program. HQS requirements for shared housing, manufactured home space rental, and the homeownership option do not apply because these housing types are not assisted under the PBV program.

The physical condition standards at 24 CFR 5.703 do not apply to the PBV program.

#### **Lead-based Paint [24 CFR 983.101(c)]**

The lead-based paint requirements for the tenant-based voucher program do not apply to the PBV program. Instead, The Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR part 35, subparts A, B, H, and R, apply to the PBV program.

### **17-III.C. HOUSING ACCESSIBILITY FOR PERSONS WITH DISABILITIES**

The housing must comply with program accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. The PHA must ensure that the percentage of accessible dwelling units complies with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as implemented by HUD's regulations at 24 CFR 8, subpart C.

Housing first occupied after March 13, 1991, must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable. (24 CFR 983.102)

## **17-III.D. INSPECTING UNITS**

### **Pre-selection Inspection [24 CFR 983.103(a)]**

The PHA must examine the proposed site before the proposal selection date. If the units to be assisted already exist, the PHA must inspect all the units before the proposal selection date, and must determine whether the units substantially comply with HQS. To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, the PHA may not execute the HAP contract until the units fully comply with HQS.

### **Pre-HAP Contract Inspections [24 CFR 983.103(b)]**

The PHA must inspect each contract unit before execution of the HAP contract. The PHA may not enter into a HAP contract covering a unit until the unit fully complies with HQS.

### **Turnover Inspections [24 CFR 983.103(c)]**

Before providing assistance to a new family in a contract unit, the PHA must inspect the unit. The PHA may not provide assistance on behalf of the family until the unit fully complies with HQS.

### **Annual/Biennial Inspections [24 CFR 983.103(d); FR Notice 6/25/14]**

At least once every 24 months during the term of the HAP contract, the PHA must inspect a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this inspection requirement.

#### PHA Policy

The PHA will inspect on an annual basis a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS.

If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, the PHA must reinspect 100 percent of the contract units in the building.

**Other Inspections [24 CFR 983.103(e)]**

The PHA must inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. The PHA must take into account complaints and any other information coming to its attention in scheduling inspections.

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

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

**Inspecting PHA-Owned Units [24 CFR 983.103(f)]**

In the case of PHA-owned units, the inspections must be performed by an independent agency designated by the PHA and approved by HUD. The independent entity must furnish a copy of each inspection report to the PHA and to the HUD field office where the project is located. The PHA must take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the PHA-owner.



## **PART IV: REHABILITATED AND NEWLY CONSTRUCTED UNITS**

### **17-IV.A. OVERVIEW [24 CFR 983.151]**

There are specific requirements that apply to PBV assistance for newly constructed or rehabilitated housing that do not apply to PBV assistance in existing housing. This part describes the requirements unique to this type of assistance.

Housing selected for this type of assistance may not at a later date be selected for PBV assistance as existing housing.

### **17-IV.B. AGREEMENT TO ENTER INTO HAP CONTRACT**

In order to offer PBV assistance in rehabilitated or newly constructed units, the PHA must enter into an agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD [24 CFR 983.152(b)]. The PHA may not enter into an Agreement if commencement of construction or rehabilitation has commenced after proposal submission [24 CFR 983.152(c)]. Construction begins when excavation or site preparation (including clearing of the land) begins for the housing. Rehabilitation begins with the physical commencement of rehabilitation activity on the housing.

In the Agreement the owner agrees to develop the PBV contract units to comply with HQS, and the PHA agrees that upon timely completion of such development in accordance with the terms of the Agreement, the PHA will enter into a HAP contract with the owner for the contract units [24 CFR 983.152(a)].

### **Content of the Agreement [24 CFR 983.152(d)]**

At a minimum, the Agreement must describe the following features of the housing to be developed and assisted under the PBV program:

- Site and the location of the contract units;
- Number of contract units by area (size) and number of bedrooms and bathrooms;
- Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner and utility services to be paid by the tenant;
- An indication of whether or not the design and construction requirements of the Fair Housing Act and section 504 of the Rehabilitation Act of 1973 apply to units under the Agreement. If applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement;
- Estimated initial rents to owner for the contract units;
- Description of the work to be performed under the Agreement. For rehabilitated units, the description must include the rehabilitation work write up and, where determined necessary by the PHA, specifications and plans. For new construction units, the description must include the working drawings and specifications.
- Any additional requirements for quality, architecture, or design over and above HQS.

### **Execution of the Agreement [24 CFR 983.153]**

The Agreement must be executed promptly after PHA notice of proposal selection to the selected owner. The PHA may not enter into the Agreement if construction or rehabilitation has started after proposal submission. Generally, the PHA may not enter into the Agreement with the owner until the subsidy layering review is completed. Likewise, the PHA may not enter into the Agreement until the environmental review is completed and the PHA has received environmental approval. However, the PHA does not need to conduct a subsidy layering review in the case of a HAP contract for existing housing or if the applicable state or local agency has conducted such a review. Similarly, environmental reviews are not required for existing structures unless otherwise required by law or regulation.

#### PHA Policy

The PHA will enter into the Agreement with the owner within 10 business days of receiving both environmental approval and notice that subsidy layering requirements have been met, and before construction or rehabilitation work is started.

## **17-IV.C. CONDUCT OF DEVELOPMENT WORK**

### **Labor Standards [24 CFR 983.154(b)]**

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The PHA must monitor compliance with labor standards.

### **Equal Opportunity [24 CFR 983.154(c)]**

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

### **Owner Disclosure [24 CFR 983.154(d) and (e)]**

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

#### **17-IV.D. COMPLETION OF HOUSING**

The Agreement must specify the deadlines for completion of the housing, and the owner must develop and complete the housing in accordance with these deadlines. The Agreement must also specify the deadline for submission by the owner of the required evidence of completion.

##### **Evidence of Completion [24 CFR 983.155(b)]**

At a minimum, the owner must submit the following evidence of completion to the PHA in the form and manner required by the PHA:

- Owner certification that the work has been completed in accordance with HQS and all requirements of the Agreement; and
- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing.

At the PHA's discretion, the Agreement may specify additional documentation that must be submitted by the owner as evidence of housing completion.

##### PHA Policy

The PHA will determine the need for the owner to submit additional documentation as evidence of housing completion on a case-by-case basis depending on the nature of the PBV project. The PHA will specify any additional documentation requirements in the Agreement to enter into HAP contract.

##### **PHA Acceptance of Completed Units [24 CFR 983.156]**

Upon notice from the owner that the housing is completed, the PHA must inspect to determine if the housing has been completed in accordance with the Agreement, including compliance with HQS and any additional requirements imposed under the Agreement. The PHA must also determine if the owner has submitted all required evidence of completion.

If the work has not been completed in accordance with the Agreement, the PHA must not enter into the HAP contract.

If the PHA determines the work has been completed in accordance with the Agreement and that the owner has submitted all required evidence of completion, the PHA must submit the HAP contract for execution by the owner and must then execute the HAP contract.

## **PART V: HOUSING ASSISTANCE PAYMENTS CONTRACT (HAP)**

### **17-V.A. OVERVIEW**

The PHA must enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term. With the exception of single-family scattered-site projects, a HAP contract shall cover a single project. If multiple projects exist, each project is covered by a separate HAP contract. The HAP contract must be in the form required by HUD [24 CFR 983.202(a)].

### **17-V.B. HAP CONTRACT REQUIREMENTS**

#### **Contract Information [24 CFR 983.203]**

The HAP contract must specify the following information:

- The total number of contract units by number of bedrooms;
- The project's name, street address, city or county, state and zip code, block and lot number (if known), and any other information necessary to clearly identify the site and the building;
- The number of contract units in each building, the location of each contract unit, the area of each contract unit, and the number of bedrooms and bathrooms in each contract unit;
- Services, maintenance, and equipment to be supplied by the owner and included in the rent to owner;
- Utilities available to the contract units, including a specification of utility services to be paid by the owner (included in rent) and utility services to be paid by the tenant;
- Features provided to comply with program accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR part 8;
- The HAP contract term;
- The number of units in any project that will exceed the 25 percent per project cap, which will be set aside for occupancy by qualifying families (elderly and/or disabled families and families receiving supportive services); and
- The initial rent to owner for the first 12 months of the HAP contract term.

## **Execution of the HAP Contract [24 CFR 983.204]**

The PHA may not enter into a HAP contract until each contract unit has been inspected and the PHA has determined that the unit complies with the Housing Quality Standards (HQS). For existing housing, the HAP contract must be executed promptly after the PHA selects the owner proposal and inspects the housing units. For newly constructed or rehabilitated housing the HAP contract must be executed after the PHA has inspected the completed units and has determined that the units have been completed in accordance with the agreement to enter into HAP, and the owner furnishes all required evidence of completion.

### PHA Policy

For existing housing, the HAP contract will be executed within 10 business days of the PHA determining that all units pass HQS.

For rehabilitated or newly constructed housing, the HAP contract will be executed within 10 business days of the PHA determining that the units have been completed in accordance with the agreement to enter into HAP, all units meet HQS, and the owner has submitted all required evidence of completion.

## **Term of HAP Contract [24 CFR 983.205]**

The PHA may enter into a HAP contract with an owner for an initial term of no less than one year and no more than 15 years for each contract unit. The length of the term of the HAP contract for any contract unit may not be less than one year, nor more than 15 years. In the case of PHA-owned units, the term of the HAP contract must be agreed upon by the PHA and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

### PHA Policy

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

At the time of the initial HAP contract term or any time before expiration of the HAP contract, the PHA may extend the term of the contract for an additional term of up to 15 years if the PHA determines an extension is appropriate to continue providing affordable housing for low-income families. A HAP contract extension may not exceed 15 years. A PHA may provide for multiple extensions; however, in no circumstances may such extensions exceed 15 years, cumulatively. Extensions after the initial extension are allowed at the end of any extension term, provided that not more than 24 months prior to the expiration of the previous extension contract the PHA agrees to extend the term, and that such extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities. Extensions after the initial extension term shall not begin prior to the expiration date of the previous extension term. Subsequent extensions are subject to the same limitations. All extensions must be on the form and subject to the conditions prescribed by HUD at the time of the extension. In the case of PHA-owned units, any extension of the term of the HAP contract must be agreed upon by the PHA and the independent entity approved by HUD [24 CFR 983.59(b)(2)].

## PHA Policy

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

The cost of extending the contract and the amount of available budget authority;

The condition of the contract units;

The owner's record of compliance with obligations under the HAP contract and lease(s);

Whether the location of the units continues to support the goals of deconcentrating poverty and expanding housing opportunities; and

Whether the funding could be used more appropriately for tenant-based assistance.

### ***Termination by PHA [24 CFR 983.205(c)]***

The HAP contract must provide that the term of the PHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by the PHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

### ***Termination by Owner [24 CFR 983.205(d)]***

If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the PHA. In this case, families living in the contract units must be offered tenant-based assistance.

**Statutory Notice Requirements: Contract Termination or Expiration [24 CFR 983.206]**

Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify the PHA and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD. If the owner does not give timely notice, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of the owner's inability to collect an increased tenant portion of rent. An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

**Remedies for HQS Violations [24 CFR 983.208(b)]**

The PHA may not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If the PHA determines that a contract does not comply with HQS, the PHA may exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

**PHA Policy**

The PHA will abate and terminate PBV HAP contracts for non-compliance with HQS in accordance with the policies used in the tenant-based voucher program. These policies are contained in Section 8-II.G., Enforcing Owner Compliance.

## **17-V.C. AMENDMENTS TO THE HAP CONTRACT**

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

At the PHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit. Before any such substitution can take place, the PHA must inspect the proposed unit and determine the reasonable rent for the unit.

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

At the PHA's discretion and subject to the restrictions on the number of dwelling units that can receive PBV assistance per project and on the overall size of the PHA's PBV program, a HAP contract may be amended during the three-year period following the execution date of the HAP contract to add additional PBV units in the same project. This type of amendment is subject to all PBV program requirements except that a new PBV proposal is not required.

#### PHA Policy

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

The local housing inventory is reduced due to a disaster (either due to loss of housing units, or an influx of displaced families); and

Voucher holders are having difficulty finding units that meet program requirements.

## **17-V.D. HAP CONTRACT YEAR, ANNIVERSARY AND EXPIRATION DATES [24 CFR 983.207(b) and 983.302(e)]**

The HAP contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year.

There is a single annual anniversary and expiration date for all units under a particular HAP contract, even in cases where contract units are placed under the HAP contract in stages (on different dates) or units are added by amendment. The anniversary and expiration dates for all units coincide with the dates for the contract units that were originally placed under contract.

### **17-V.E. OWNER RESPONSIBILITIES UNDER THE HAP [24 CFR 983.210]**

When the owner executes the HAP contract s/he certifies that at such execution and at all times during the term of the HAP contract:

- All contract units are in good condition and the owner is maintaining the premises and contract units in accordance with HQS;
- The owner is providing all services, maintenance, equipment and utilities as agreed to under the HAP contract and the leases;
- Each contract unit for which the owner is receiving HAP, is leased to an eligible family referred by the PHA, and the lease is in accordance with the HAP contract and HUD requirements;
- To the best of the owner's knowledge the family resides in the contract unit for which the owner is receiving HAP, and the unit is the family's only residence;
- The owner (including a principal or other interested party) is not the spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit;
- The amount of the HAP the owner is receiving is correct under the HAP contract;
- The rent for contract units does not exceed rents charged by the owner for comparable unassisted units;
- Except for HAP and tenant rent, the owner has not received and will not receive any other payment or consideration for rental of the contract unit;
- The family does not own or have any interest in the contract unit (does not apply to family's membership in a cooperative); and
- Repair work on the project selected as an existing project that is performed after HAP execution within such post-execution period as specified by HUD may constitute development activity, and if determined to be development activity, the repair work undertaken shall be in compliance with Davis-Bacon wage requirements.

## **17-V.F. ADDITIONAL HAP REQUIREMENTS**

### **Housing Quality and Design Requirements [24 CFR 983.101(e) and 983.208(a)]**

The owner is required to maintain and operate the contract units and premises in accordance with HQS, including performance of ordinary and extraordinary maintenance. The owner must provide all the services, maintenance, equipment, and utilities specified in the HAP contract with the PHA and in the lease with each assisted family. In addition, maintenance, replacement and redecoration must be in accordance with the standard practice for the building as established by the owner.

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

#### PHA Policy

The PHA will identify the need for any special features on a case-by-case basis depending on the intended occupancy of the PBV project. The PHA will specify any special design standards or additional requirements in the invitation for PBV proposals, the agreement to enter into HAP contract, and the HAP contract.

### **Vacancy Payments [24 CFR 983.352(b)]**

At the discretion of the PHA, the HAP contract may provide for vacancy payments to the owner for a PHA-determined period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment will be determined by the PHA and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

#### PHA Policy

The PHA will decide on a case-by-case basis if the PHA will provide vacancy payments to the owner. The HAP contract with the owner will contain any such agreement, including the amount of the vacancy payment and the period for which the owner will qualify for these payments.



## **PART VI: SELECTION OF PBV PROGRAM PARTICIPANTS**

### **17-VI.A. OVERVIEW**

Many of the provisions of the tenant-based voucher regulations [24 CFR 982] also apply to the PBV program. This includes requirements related to determining eligibility and selecting applicants from the waiting list. Even with these similarities, there are requirements that are unique to the PBV program. This part describes the requirements and policies related to eligibility and admission to the PBV program.

### **17-VI.B. ELIGIBILITY FOR PBV ASSISTANCE [24 CFR 983.251(a) and (b)]**

The PHA may select families for the PBV program from those who are participants in the PHA's tenant-based voucher program and from those who have applied for admission to the voucher program. For voucher participants, eligibility was determined at original admission to the voucher program and does not need to be redetermined at the commencement of PBV assistance. For all others, eligibility for admission must be determined at the commencement of PBV assistance.

Applicants for PBV assistance must meet the same eligibility requirements as applicants for the tenant-based voucher program. Applicants must qualify as a family as defined by HUD and the PHA, have income at or below HUD-specified income limits, and qualify on the basis of citizenship or the eligible immigration status of family members [24 CFR 982.201(a) and 24 CFR 983.2(a)]. In addition, an applicant family must provide social security information for family members [24 CFR 5.216 and 5.218] and consent to the PHA's collection and use of family information regarding income, expenses, and family composition [24 CFR 5.230]. The PHA may also not approve a tenancy if the owner (including a principal or other interested party) of the unit is the parent, child, grandparent, grandchild, sister, or brother of any member of the family, unless needed as a reasonable accommodation. An applicant family must also meet HUD requirements related to current or past criminal activity.

#### PHA Policy

The PHA will determine an applicant family's eligibility for the PBV program in accordance with the policies in Chapter 3.

**In-Place Families [24 CFR 983.251(b)]**

An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by the PHA is considered an “in-place family.” These families are afforded protection from displacement under the PBV rule. If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the PHA’s waiting list. Once the family’s continued eligibility is determined (the PHA may deny assistance to an in-place family for the grounds specified in 24 CFR 982.552 and 982.553), the family must be given an absolute selection preference and the PHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements.

This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

### **17-VI.C. ORGANIZATION OF THE WAITING LIST [24 CFR 983.251(c)]**

The PHA may establish a separate waiting list for PBV units or it may use the same waiting list for both tenant-based and PBV assistance. The PHA may also merge the PBV waiting list with a waiting list for other assisted housing programs offered by the PHA. If the PHA chooses to offer a separate waiting list for PBV assistance, the PHA must offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

If a PHA decides to establish a separate PBV waiting list, the PHA may use a single waiting list for the PHA's whole PBV program, or it may establish separate waiting lists for PBV units in particular projects or buildings or for sets of such units.

#### **PHA Policy**

The PHA will establish and manage separate waiting lists for individual projects or buildings that are receiving PBV assistance. The PHA currently has waiting lists for the following PBV projects:

**[Insert list of project/buildings receiving PBV assistance for which separate waiting lists are maintained].**

### **17-VI.D. SELECTION FROM THE WAITING LIST [24 CFR 983.251(c)]**

Applicants who will occupy units with PBV assistance must be selected from the PHA's waiting list. The PHA may establish selection criteria or preferences for occupancy of particular PBV units. The PHA may place families referred by the PBV owner on its PBV waiting list.

#### **Income Targeting [24 CFR 983.251(c)(6)]**

At least 75 percent of the families admitted to the PHA's tenant-based and project-based voucher programs during the PHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

#### **Units with Accessibility Features [24 CFR 983.251(c)(7)]**

When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the PHA must first refer families who require such features to the owner.

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

The PHA may use the same selection preferences that are used for the tenant-based voucher program, establish selection criteria or preferences for the PBV program as a whole, or for occupancy of particular PBV developments or units. The PHA must provide an absolute selection preference for eligible in-place families as described in Section 17-VI.B. above.

Although the PHA is prohibited from granting preferences to persons with a specific disability, the PHA may give preference to disabled families who need services offered at a particular project or site if the preference is limited to families (including individuals):

- With disabilities that significantly interfere with their ability to obtain and maintain themselves in housing;
- Who, without appropriate supportive services, will not be able to obtain or maintain themselves in housing; and
- For whom such services cannot be provided in a non-segregated setting.

In advertising such a project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible disabled persons who may benefit from services provided in the project. In these projects, disabled residents may not be required to accept the particular services offered as a condition of occupancy.

If the PHA has projects with more than 25 percent of the units receiving project-based assistance because those projects include “excepted units” (units specifically made available for elderly or disabled families, or families receiving supportive services), the PHA must give preference to such families when referring families to these units [24 CFR 983.261(b)].

### PHA Policy

The PHA will provide a selection preference when required by the regulation (e.g., eligible in-place families, qualifying families for “excepted units,” mobility impaired persons for accessible units). The PHA will not offer any additional preferences for the PBV program or for particular PBV projects or units.

## **17-VI.E. OFFER OF PBV ASSISTANCE**

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

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

- Refuse to list the applicant on the waiting list for tenant-based voucher assistance;
- Deny any admission preference for which the applicant qualifies;
- Change the applicant's place on the waiting list based on preference, date, and time of application, or other factors affecting selection under the PHA's selection policy;
- Remove the applicant from the tenant-based voucher waiting list.

### **Disapproval by Landlord [24 CFR 983.251(e)(2)]**

If a PBV owner rejects a family for admission to the owner's units, such rejection may not affect the family's position on the tenant-based voucher waiting list.

### **Acceptance of Offer [24 CFR 983.252]**

#### ***Family Briefing***

When a family accepts an offer for PBV assistance, the PHA must give the family an oral briefing. The briefing must include information on how the program works and the responsibilities of the family and owner. In addition to the oral briefing, the PHA must provide a briefing packet that explains how the PHA determines the total tenant payment for a family, the family obligations under the program, and applicable fair housing information.

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

If an applicant family's head or spouse is disabled, the PHA must assure effective communication, in accordance with 24 CFR 8.6, in conducting the oral briefing and in providing the written information packet. This may include making alternative formats available (see Chapter 2). In addition, the PHA must have a mechanism for referring a family that includes a member with a mobility impairment to an appropriate accessible PBV unit.

#### ***Persons with Limited English Proficiency***

The PHA should take reasonable steps to assure meaningful access by persons with limited English proficiency in accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166 (see Chapter 2).

## **17-VI.F. OWNER SELECTION OF TENANTS**

The owner is responsible for developing written tenant selection procedures that are consistent with the purpose of improving housing opportunities for very low-income families and reasonably related to program eligibility and an applicant's ability to fulfill their obligations under the lease. An owner must promptly notify in writing any rejected applicant of the grounds for any rejection [24 CFR 983.253(a)(2) and (a)(3)].

### **Leasing [24 CFR 983.253(a)]**

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

### **Filling Vacancies [24 CFR 983.254(a)]**

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

#### PHA Policy

The owner must notify the PHA in writing (mail, fax, or e-mail) within 5 business days of learning about any vacancy or expected vacancy.

The PHA will make every reasonable effort to refer families to the owner within 10 business days of receiving such notice from the owner.

### **Reduction in HAP Contract Units Due to Vacancies [24 CFR 983.254(b)]**

If any contract units have been vacant for 120 or more days since owner notice of the vacancy, the PHA may give notice to the owner amending the HAP contract to reduce the number of contract units by subtracting the number of contract units (according to the bedroom size) that have been vacant for this period.

#### PHA Policy

If any contract units have been vacant for 120 days, the PHA will give notice to the owner that the HAP contract will be amended to reduce the number of contract units that have been vacant for this period. The PHA will provide the notice to the owner within 10 business days of the 120<sup>th</sup> day of the vacancy. The amendment to the HAP contract will be effective the 1<sup>st</sup> day of the month following the date of the PHA's notice.

## **17-VI.G. TENANT SCREENING [24 CFR 983.255]**

### **PHA Responsibility**

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

#### PHA Policy

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

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

In addition, the PHA may offer the owner other information the PHA may have about a family, including information about the tenancy history of family members or about drug trafficking and criminal activity by family members. The PHA must provide applicant families a description of the PHA policy on providing information to owners, and the PHA must give the same types of information to all owners.

The PHA may not disclose to the owner any confidential information provided in response to a request for documentation of domestic violence, dating violence, sexual assault, or stalking except at the written request or with the written consent of the individual providing the documentation [24 CFR 5.2007(a)(4)].

#### PHA Policy

The PHA will inform owners of their responsibility to screen prospective tenants, and will provide owners with the required known name and address information, at the time of the turnover HQS inspection or before. The PHA will not provide any additional information to the owner, such as tenancy history, criminal history, etc.

### **Owner Responsibility**

The owner is responsible for screening and selection of the family to occupy the owner's unit. When screening families the owner may consider a family's background with respect to the following factors:

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



## **PART VII: OCCUPANCY**

### **17-VII.A. OVERVIEW**

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

### **17-VII.B. LEASE [24 CFR 983.256]**

The tenant must have legal capacity to enter a lease under state and local law. *Legal capacity* means that the tenant is bound by the terms of the lease and may enforce the terms of the lease against the owner.

#### **Form of Lease [24 CFR 983.256(b)]**

The tenant and the owner must enter into a written lease agreement that is signed by both parties. If an owner uses a standard lease form for rental units to unassisted tenants in the locality or premises, the same lease must be used for assisted tenants, except that the lease must include a HUD-required tenancy addendum. The tenancy addendum must include, word-for-word, all provisions required by HUD.

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

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

#### PHA Policy

The PHA will not review the owner's lease for compliance with state or local law.

#### **Lease Requirements [24 CFR 983.256(c)]**

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

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

### **Tenancy Addendum [24 CFR 983.256(d)]**

The tenancy addendum in the lease must state:

- The program tenancy requirements;
- The composition of the household as approved by the PHA (the names of family members and any PHA-approved live-in aide);
- All provisions in the HUD-required tenancy addendum must be included in the lease. The terms of the tenancy addendum prevail over other provisions of the lease.

### **Initial Term and Lease Renewal [24 CFR 983.256(f)]**

The initial lease term must be for at least one year. The lease must provide for automatic renewal after the initial term of the lease in either successive definitive terms (e.g. month-to-month or year-to-year) or an automatic indefinite extension of the lease term. For automatic indefinite extension of the lease term, the lease terminates if any of the following occur:

- The owner terminates the lease for good cause
- The tenant terminates the lease
- The owner and tenant agree to terminate the lease
- The PHA terminates the HAP contract
- The PHA terminates assistance for the family

### **Changes in the Lease [24 CFR 983.256(e)]**

If the tenant and owner agree to any change in the lease, the change must be in writing, and the owner must immediately give the PHA a copy of all changes.

The owner must notify the PHA in advance of any proposed change in the lease regarding the allocation of tenant and owner responsibilities for utilities. Such changes may only be made if approved by the PHA and in accordance with the terms of the lease relating to its amendment. The PHA must redetermine reasonable rent, in accordance with program requirements, based on any change in the allocation of the responsibility for utilities between the owner and the tenant. The redetermined reasonable rent will be used in calculation of the rent to owner from the effective date of the change.

### **Owner Termination of Tenancy [24 CFR 983.257]**

With two exceptions, the owner of a PBV unit may terminate tenancy for the same reasons an owner may in the tenant-based voucher program (see Section 12-III.B. and 24 CFR 982.310). In the PBV program, terminating tenancy for “good cause” does not include doing so for a business or economic reason, or a desire to use the unit for personal or family use or other non-residential purpose.

### ***Non-Compliance with Supportive Services Requirement [24 CFR 983.257(c), FR Notice 11/24/08]***

If a family is living in a project-based unit that is excepted from the 25 percent per project cap on project-basing because of participation in a supportive services program (e.g., Family Self-Sufficiency), and the family fails to complete its supportive services requirement without good cause, such failure is grounds for lease termination by the owner.

### ***Tenant Absence from the Unit [24 CFR 983.256(g) and 982.312(a)]***

The lease may specify a maximum period of family absence from the unit that may be shorter than the maximum period permitted by PHA policy. According to program requirements, the family’s assistance must be terminated if they are absent from the unit for more than 180 consecutive days. PHA termination of assistance actions due to family absence from the unit are subject to 24 CFR 981.312, except that the unit is not terminated from the HAP contract if the family is absent for longer than the maximum period permitted.

### **Continuation of Housing Assistance Payments [24 CFR 982.258]**

Housing assistance payments shall continue until the tenant rent equals the rent to owner. The cessation of housing assistance payments at such point will not affect the family's other rights under its lease, nor will such cessation preclude the resumption of payments as a result of later changes in income, rents, or other relevant circumstances if such changes occur within 180 days following the date of the last housing assistance payment by the PHA. After the 180-day period, the unit shall be removed from the HAP contract pursuant to 24 CFR 983.211.

#### PHA Policy

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

## **Security Deposits [24 CFR 983.259]**

The owner may collect a security deposit from the tenant. The PHA may prohibit security deposits in excess of private market practice, or in excess of amounts charged by the owner to unassisted tenants.

### PHA Policy

The PHA will allow the owner to collect a security deposit amount the owner determines is appropriate.

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

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount used to reimburse the owner, the owner must promptly refund the full amount of the balance to the tenant.

If the security deposit does not cover the amount owed by the tenant under the lease, the owner may seek to collect the balance from the tenant. The PHA has no liability or responsibility for payment of any amount owed by the family to the owner.

## **17-VII.C. MOVES**

### **Overcrowded, Under-Occupied, and Accessible Units [24 CFR 983.260]**

If the PHA determines that a family is occupying a wrong size unit, based on the PHA's subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, the PHA must promptly notify the family and the owner of this determination, and the PHA must offer the family the opportunity to receive continued housing assistance in another unit.

#### PHA Policy

The PHA will notify the family and the owner of the family's need to move based on the occupancy of a wrong-size or accessible unit within 10 business days of the PHA's determination. The PHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

- PBV assistance in the same building or project;
- PBV assistance in another project; and
- Tenant-based voucher assistance.

If the PHA offers the family a tenant-based voucher, the PHA must terminate the housing assistance payments for a wrong-sized or accessible unit at the earlier of the expiration of the term of the family's voucher (including any extension granted by the PHA) or the date upon which the family vacates the unit. If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the term of the family's voucher, the PHA must remove the unit from the HAP contract.

If the PHA offers the family another form of assistance that is not a tenant-based voucher, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the PHA, or both, the PHA must terminate the housing assistance payments for the unit at the expiration of a reasonable period as determined by the PHA and remove the unit from the HAP contract.

#### PHA Policy

When the PHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, the PHA will terminate the housing assistance payments at the expiration of this 30-day period.

The PHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

**Family Right to Move [24 CFR 983.261]**

The family may terminate the lease at any time after the first year of occupancy. The family must give advance written notice to the owner in accordance with the lease and provide a copy of such notice to the PHA. If the family wishes to move with continued tenant-based assistance, the family must contact the PHA to request the rental assistance prior to providing notice to terminate the lease.

If the family terminates the lease in accordance with these requirements, the PHA is required to offer the family the opportunity for continued tenant-based assistance, in the form of a voucher or other comparable tenant-based rental assistance. If voucher or other comparable tenant-based assistance is not immediately available upon termination of the family's lease in the PBV unit, the PHA must give the family priority to receive the next available opportunity for continued tenant-based assistance.

If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

## **17-VII.D. EXCEPTIONS TO THE OCCUPANCY CAP [24 CFR 983.262]**

The PHA may not pay housing assistance under a PBV HAP contract for more than 25 percent of the number of dwelling units in a project unless the units are [24 CFR 983.56]:

- In a single-family building;
- Specifically made available for elderly and/or disabled families; or
- Specifically made available for families receiving supportive services as defined by the PHA. At least one member must be receiving at least one qualifying supportive service.

If a family at the time of initial tenancy is receiving and while the resident of an excepted unit has received Family Self-Sufficiency (FSS) supportive services or any other service as defined by the PHA and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

A family (or remaining members of a family) residing in an excepted unit that no longer meets the criteria for a “qualifying family” in connection with the 25 percent per project cap exception (e.g. a family that does not successfully complete its FSS contract of participation or supportive services requirements, or a family that is no longer elderly or disabled due to a change in family composition where the PHA does not exercise discretion to allow the family to remain in the excepted unit), must vacate the unit within a reasonable period of time established by the PHA, and the PHA must cease paying housing assistance payments on behalf of the non-qualifying family.

If the family fails to vacate the unit within the established time, the unit must be removed from the HAP contract unless the project is partially assisted, and it is possible for the HAP contract to be amended to substitute a different unit in the building in accordance with program requirements; or the owner terminates the lease and evicts the family. The housing assistance payments for a family residing in an excepted unit that is not in compliance with its family obligations to comply with supportive services requirements must be terminated by the PHA.

The PHA may allow a family that initially qualified for occupancy of an excepted unit based on elderly or disabled family status to continue to reside in a unit, where through circumstances beyond the control of the family (e.g., death of the elderly or disabled family member or long-term or permanent hospitalization or nursing care), the elderly or disabled family member no longer resides in the unit. In this case, the unit may continue to be counted as an excepted unit for as long as the family resides in that unit. Once the family vacates the unit, in order to continue as an excepted unit under the HAP contract, the unit must be made available to and occupied by a qualified family.

#### PHA Policy

The PHA will allow families who initially qualified to live in an excepted unit to remain when circumstances change due to circumstances beyond the remaining family members' control.

In all other cases, when the PHA determines that a family no longer meets the criteria for a "qualifying family" in connection with the 25 percent per project cap exception, the PHA will provide written notice to the family and owner within 10 business days of making the determination. The family will be given 30 days from the date of the notice to move out of the PBV unit. If the family does not move out within this 30-day time frame, the PHA will terminate the housing assistance payments at the expiration of this 30-day period.

The PHA may make exceptions to this 30-day period if needed for reasons beyond the family's control such as death, serious illness, or other medical emergency of a family member.

The PHA may refer other eligible families to the excepted units. However, if there are no eligible families on the waiting list and the owner does not refer eligible families to the PHA, the PHA will amend the HAP contract to reduce the total number of units under contract.

## **PART VIII: DETERMINING RENT TO OWNER**

### **17-VIII.A. OVERVIEW**

The amount of the initial rent to an owner of units receiving PBV assistance is established at the beginning of the HAP contract term. Although for rehabilitated or newly constructed housing, the agreement to enter into HAP Contract (Agreement) states the estimated amount of the initial rent to owner, the actual amount of the initial rent to owner is established at the beginning of the HAP contract term.

During the term of the HAP contract, the rent to owner is redetermined at the owner's request in accordance with program requirements, and at such time that there is a five percent or greater decrease in the published FMR.

### **17-VIII.B. RENT LIMITS [24 CFR 983.301]**

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

- An amount determined by the PHA, not to exceed 110 percent of the applicable fair market rent (or any HUD-approved exception payment standard) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

#### **Certain Tax Credit Units [24 CFR 983.301(c)]**

For certain tax credit units, the rent limits are determined differently than for other PBV units. Different limits apply to contract units that meet all of the following criteria:

- The contract unit receives a low-income housing tax credit under the Internal Revenue Code of 1986;
- The contract unit is not located in a qualified census tract;
- There are comparable tax credit units of the same bedroom size as the contract unit in the same project, and the comparable tax credit units do not have any form of rental assistance other than the tax credit; and
- The tax credit rent exceeds 110 percent of the fair market rent or any approved exception payment standard;

For contract units that meet all of these criteria, the rent to owner must not exceed the lowest of:

- The tax credit rent minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

## ***Definitions***

A *qualified census tract* is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50 percent of households have an income of less than 60 percent of Area Median Gross Income (AMGI), or where the poverty rate is at least 25 percent and where the census tract is designated as a qualified census tract by HUD.

*Tax credit rent* is the rent charged for comparable units of the same bedroom size in the project that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., tenant-based voucher assistance).

### **Reasonable Rent [24 CFR 983.301(e) and 983.302(c)(2)]**

The PHA must determine reasonable rent in accordance with 24 CFR 983.303. The rent to owner for each contract unit may at no time exceed the reasonable rent, except in cases where the PHA has elected within the HAP contract not to reduce rents below the initial rent to owner and, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent. However, the rent to owner must be reduced in the following cases:

- To correct errors in calculations in accordance with HUD requirements
- If additional housing assistance has been combined with PBV assistance after the execution of the initial HAP contract and a rent decrease is required pursuant to 24 CFR 983.55
- If a decrease in rent to owner is required based on changes in the allocation of the responsibility for utilities between owner and tenant

If the PHA has not elected within the HAP contract to establish the initial rent to owner as the rent floor, the rent to owner shall not at any time exceed the reasonable rent.

#### **PHA Policy**

The PHA will elect within the HAP contract not to reduce rents below the initial level, with the exception of circumstances listed in 24 CFR 983.302(c)(2). If, upon redetermination of the rent to owner, the reasonable rent would result in a rent below the initial rent, the PHA will use the higher initial rent to owner amount.

### **Use of FMRs, Exception Payment Standards, and Utility Allowances [24 CFR 983.301(f)]**

When determining the initial rent to owner, the PHA must use the most recently published FMR in effect and the utility allowance schedule in effect at execution of the HAP contract. When redetermining the rent to owner, the PHA must use the most recently published FMR and the utility allowance schedule in effect at the time of redetermination. At its discretion, the PHA may for initial rent, use the amounts in effect at any time during the 30-day period immediately before the beginning date of the HAP contract, or for redeterminations of rent, the 30-day period immediately before the redetermination date.

Any HUD-approved exception payment standard amount under the tenant-based voucher program also applies to the project-based voucher program. HUD will not approve a different exception payment stand amount for use in the PBV program.

Likewise, the PHA may not establish or apply different utility allowance amounts for the PBV program. The same utility allowance schedule applies to both the tenant-based and project-based voucher programs.

#### PHA Policy

Upon written request by the owner, the PHA will consider using the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent. The owner must explain the need to use the previous FMRs or utility allowances and include documentation in support of the request. The PHA will review and make a decision based on the circumstances and merit of each request.

In addition to considering a written request from an owner, the PHA may decide to use the FMR or utility allowances in effect during the 30-day period before the start date of the HAP, or redetermination of rent, if the PHA determines it is necessary due to PHA budgetary constraints.

## **Redetermination of Rent [24 CFR 983.302]**

The PHA must redetermine the rent to owner upon the owner's request or when there is a five percent or greater decrease in the published FMR.

### ***Rent Increase***

If an owner wishes to request an increase in the rent to owner from the PHA, it must be requested at the annual anniversary of the HAP contract (see Section 17-V.D.). The request must be in writing and in the form and manner required by the PHA. The PHA may only make rent increases in accordance with the rent limits described previously. There are no provisions in the PBV program for special adjustments (e.g., adjustments that reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs).

#### PHA Policy

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

The PHA may not approve and the owner may not receive any increase of rent to owner until and unless the owner has complied with requirements of the HAP contract, including compliance with HQS. The owner may not receive any retroactive increase of rent for any period of noncompliance.

### ***Rent Decrease***

If there is a decrease in the rent to owner, as established in accordance with program requirements such as a change in the FMR or exception payment standard, or reasonable rent amount, the rent to owner must be decreased regardless of whether the owner requested a rent adjustment, except where the PHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

### ***Notice of Rent Change***

The rent to owner is redetermined by written notice by the PHA to the owner specifying the amount of the redetermined rent. The PHA notice of rent adjustment constitutes an amendment of the rent to owner specified in the HAP contract. The adjusted amount of rent to owner applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

#### PHA Policy

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

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

For PHA-owned PBV units, the initial rent to owner and the annual redetermination of rent at the anniversary of the HAP contract are determined by the independent entity approved by HUD. The PHA must use the rent to owner established by the independent entity.

### **17-VIII.C. REASONABLE RENT [24 CFR 983.303]**

At the time the initial rent is established and all times during the term of the HAP contract, the rent to owner for a contract unit may not exceed the reasonable rent for the unit as determined by the PHA, except where the PHA has elected within the HAP contract to not reduce rents below the initial rent under the initial HAP contract.

#### **When Rent Reasonable Determinations Are Required**

The PHA must redetermine the reasonable rent for a unit receiving PBV assistance whenever any of the following occur:

- There is a five percent or greater decrease in the published FMR in effect 60 days before the contract anniversary (for the unit sizes specified in the HAP contract) as compared with the FMR that was in effect one year before the contract anniversary date;
- The PHA approves a change in the allocation of responsibility for utilities between the owner and the tenant;
- The HAP contract is amended to substitute a different contract unit in the same building or project; or
- There is any other change that may substantially affect the reasonable rent.

#### **How to Determine Reasonable Rent**

The reasonable rent of a unit receiving PBV assistance must be determined by comparison to rent for other comparable unassisted units. When making this determination, the PHA must consider factors that affect market rent. Such factors include the location, quality, size, type and age of the unit, as well as the amenities, housing services maintenance, and utilities to be provided by the owner.

#### ***Comparability Analysis***

For each unit, the comparability analysis must use at least three comparable units in the private unassisted market. This may include units in the premises or project that is receiving project-based assistance. The analysis must show how the reasonable rent was determined, including major differences between the contract units and comparable unassisted units, and must be retained by the PHA. The comparability analysis may be performed by PHA staff or by another qualified person or entity. Those who conduct these analyses or are involved in determining the housing assistance payment based on the analyses may not have any direct or indirect interest in the property.

#### **PHA-Owned Units**

For PHA-owned units, the amount of the reasonable rent must be determined by an independent agency approved by HUD in accordance with PBV program requirements. The independent entity must provide a copy of the determination of reasonable rent for PHA-owned units to the PHA and to the HUD field office where the project is located.

### **Owner Certification of Reasonable Rent**

By accepting each monthly housing assistance payment, the owner certifies that the rent to owner is not more than rent charged by the owner for other comparable unassisted units in the premises. At any time, the PHA may require the owner to submit information on rents charged by the owner for other units in the premises or elsewhere.

### **17-VIII.D. EFFECT OF OTHER SUBSIDY AND RENT CONTROL**

In addition to the rent limits discussed in Section 17-VIII.B above, other restrictions may limit the amount of rent to owner in a PBV unit. In addition, certain types of subsidized housing are not even eligible to receive PBV assistance (see Section 17-II.D).

#### **Other Subsidy [24 CFR 983.304]**

To comply with HUD subsidy layering requirements, at the discretion of HUD or its designee, a PHA shall reduce the rent to owner because of other governmental subsidies, including tax credits or tax exemptions, grants, or other subsidized funding.

For units receiving assistance under the HOME program, rents may not exceed rent limits as required by that program.

For units in any of the following types of federally subsidized projects, the rent to owner may not exceed the subsidized rent (basic rent) or tax credit rent as determined in accordance with requirements for the applicable federal program:

- An insured or non-insured Section 236 project;
- A formerly insured or non-insured Section 236 project that continues to receive Interest Reduction Payment following a decoupling action;
- A Section 221(d)(3) below market interest rate (BMIR) project;
- A Section 515 project of the Rural Housing Service;
- Any other type of federally subsidized project specified by HUD.

#### ***Combining Subsidy***

Rent to owner may not exceed any limitation required to comply with HUD subsidy layering requirements.

#### **Rent Control [24 CFR 983.305]**

In addition to the rent limits set by PBV program regulations, the amount of rent to owner may also be subject to rent control or other limits under local, state, or federal law.

## **PART IX: PAYMENTS TO OWNER**

### **17-IX.A. HOUSING ASSISTANCE PAYMENTS [24 CFR 983.351]**

During the term of the HAP contract, the PHA must make housing assistance payments to the owner in accordance with the terms of the HAP contract. During the term of the HAP contract, payments must be made for each month that a contract unit complies with HQS and is leased to and occupied by an eligible family. The housing assistance payment must be paid to the owner on or about the first day of the month for which payment is due, unless the owner and the PHA agree on a later date.

Except for discretionary vacancy payments, the PHA may not make any housing assistance payment to the owner for any month after the month when the family moves out of the unit (even if household goods or property are left in the unit).

The amount of the housing assistance payment by the PHA is the rent to owner minus the tenant rent (total tenant payment minus the utility allowance).

In order to receive housing assistance payments, the owner must comply with all provisions of the HAP contract. Unless the owner complies with all provisions of the HAP contract, the owner does not have a right to receive housing assistance payments.

### **17-IX.B. VACANCY PAYMENTS [24 CFR 983.352]**

If an assisted family moves out of the unit, the owner may keep the housing assistance payment for the calendar month when the family moves out. However, the owner may not keep the payment if the PHA determines that the vacancy is the owner's fault.

#### PHA Policy

If the PHA determines that the owner is responsible for a vacancy and, as a result, is not entitled to keep the housing assistance payment, the PHA will notify the landlord of the amount of housing assistance payment that the owner must repay. The PHA will require the owner to repay the amount owed in accordance with the policies in Section 16-IV.B.

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

- The owner gives the PHA prompt, written notice certifying that the family has vacated the unit and identifies the date when the family moved out (to the best of the owner's knowledge);
- The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
- The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.

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

#### PHA Policy

If an owner's HAP contract calls for vacancy payments to be made, and the owner wishes to receive vacancy payments, the owner must have properly notified the PHA of the vacancy in accordance with the policy in Section 17-VI.F. regarding filling vacancies.

In order for a vacancy payment request to be considered, it must be made within 10 business days of the end of the period for which the owner is requesting the vacancy payment. The request must include the required owner certifications and the PHA may require the owner to provide documentation to support the request. If the owner does not provide the information requested by the PHA within 10 business days of the PHA's request, no vacancy payments will be made.

### **17-IX.C. TENANT RENT TO OWNER [24 CFR 983.353]**

The tenant rent is the portion of the rent to owner paid by the family. The amount of tenant rent is determined by the PHA in accordance with HUD requirements. Any changes in the amount of tenant rent will be effective on the date stated in the PHA notice to the family and owner.

The family is responsible for paying the tenant rent (total tenant payment minus the utility allowance). The amount of the tenant rent determined by the PHA is the maximum amount the owner may charge the family for rental of a contract unit. The tenant rent covers all housing services, maintenance, equipment, and utilities to be provided by the owner. The owner may not demand or accept any rent payment from the tenant in excess of the tenant rent as determined by the PHA. The owner must immediately return any excess payment to the tenant.

#### **Tenant and PHA Responsibilities**

The family is not responsible for the portion of rent to owner that is covered by the housing assistance payment and the owner may not terminate the tenancy of an assisted family for nonpayment by the PHA.

Likewise, the PHA is responsible only for making the housing assistance payment to the owner in accordance with the HAP contract. The PHA is not responsible for paying tenant rent, or any other claim by the owner, including damage to the unit. The PHA may not use housing assistance payments or other program funds (including administrative fee reserves) to pay any part of the tenant rent or other claim by the owner.

#### **Utility Reimbursements**

If the amount of the utility allowance exceeds the total tenant payment, the PHA must pay the amount of such excess to the tenant as a reimbursement for tenant-paid utilities, and the tenant rent to the owner must be zero.

The PHA may pay the utility reimbursement directly to the family or to the utility supplier on behalf of the family. If the PHA chooses to pay the utility supplier directly, the PHA must notify the family of the amount paid to the utility supplier.

#### PHA Policy

The PHA will make utility reimbursements to the family.

## **17-IX.D. OTHER FEES AND CHARGES [24 CFR 983.354]**

### **Meals and Supportive Services**

With the exception of PBV assistance in assisted living developments, the owner may not require the tenant to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.

In assisted living developments receiving PBV assistance, the owner may charge for meals or supportive services. These charges may not be included in the rent to owner, nor may the value of meals and supportive services be included in the calculation of the reasonable rent. However, non-payment of such charges is grounds for termination of the lease by the owner in an assisted living development.

### **Other Charges by Owner**

The owner may not charge extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.