HOUSING AUTHORITY OF THE CITY OF ANNISTON, ALABAMA

MEMORANDUM

TO: Board of Commissioners

FROM: Gregg Fortner, Executive Director

DATE: November 15, 2024

SUBJECT: Resolution Amending the Administrative Plan Policy

I. STATEMENT OF ISSUE

The Housing Authority of the City of Anniston (AHA) proposes to revise its current Administrative Plan.

II. BACKGROUND

AHA solicited comments from residents and other interested persons and organizations regarding the proposed changes to its Administrative Plan. Those who wished to make comments and/or suggestions were given 30 days to do so in writing from September 19, 2024, until October 21, 2024.

The proposed changes to the Admin Plan were posted at each Management Office and Central office at 500 Glen Addie Avenue. AHA held a Public Hearing at Glen Addie, Resident Services Building on October 21, 2024, to allow persons and/or organizations to verbally express their comments.

Attached is a summary of the proposed changes that was posted at each Management Office.

III. RECOMMENTATION

It is recommended that the Board of Commissioners considers and approves the resolution to amend the Administrative Plan policy.

HCV Administration Proposed Changes 2024

Page Number	Section	Old	Proposed change
1	Primary Responsibilities of the HA		1. Add: Inspecting HCV units to determine that they meet or exceed HCV, Housing Quality Standards; **NOTE: Effective October 1, 2024, this standard changes to NSPIRE**
52	Administrative Fee Reserve Expenditures		Expenditures from the administrative fee reserve of the HCV programs in excess of $_____ will be approved by the board of commissioners of the HA.
57-58	Special Housing Types		6. Housing quality standards Sec. 982.614(Will convert to NSPIRE effective October 1, 2024) a. Compliance with HQS/NSPIRE: The HA may not give approval to reside in a group home unless the unit, including the portion of the unit available for use by the assisted person under the lease, meets the housing quality/NSPIRE standards.
69-71	Appendix "A" Definitions		Adjusted Income Adjusted income means annual income (as determined under § 5.609) of the members of the family residing or intending to reside

			in the dwelling unit, after making the following deductions: (a) Mandatory deductions. (1) $480 for each dependent, which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of $25; (2) $525 for any elderly family or disabled family, which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of $25; (3) The sum of the following, to the extent the sum exceeds ten percent of annual income: (i) Unreimbursed health and medical care expenses of any elderly family or disabled family; and (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the member who is a person with a disability) to be employed. This deduction may not exceed the combined 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 childcare expenses necessary to enable a member of the family to be employed or to further his or her education. (b) Financial hardship exemption for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses (1) Phased-in relief. This paragraph provides financial hardship relief for families affected by the statutory increase in the threshold to receive health and medical care expense and reasonable attendant care and auxiliary apparatus expense deductions from annual income. (i) Eligibility for relief. To receive hardship relief under this paragraph (c)(1), the family must have received a deduction from annual income because their sum of expenses under paragraph (a)(3) of this section exceeded 3 percent of annual income as of January 1, 2024. (ii) Form of relief. (A) The family will receive a deduction totaling the sum of the expenses under paragraph (a)(3) of this section that exceed 5 percent of annual income. (B) Twelve months after the relief in this paragraph (c)(1)(ii) is provided, the family must receive a deduction totaling the sum of expenses under

			paragraph (a)(3) of this section that exceed 7.5 percent of annual income. (C) Twenty-four months after the relief in this paragraph (c)(1)(ii) is provided, the family must receive a deduction totaling the sum of expenses under paragraph (a)(3) of this section that exceed ten percent of annual income and the only remaining relief that may be available to the family will be paragraph (d)(1) of this section. (D) A family may request hardship relief under paragraph (c)(2) of this section prior to the end of the twenty-four-month transition period. If a family making such a request is determined eligible for hardship relief under paragraph (c)(2) of this section, hardship relief under this paragraph ends and the family's hardship relief shall be administered in accordance with paragraph (c)(2) of this section. Once a family chooses to obtain relief under paragraph (c)(2) of this section, a family may no longer receive relief under this paragraph. (2) General. This paragraph (c)(2) provides financial relief for an elderly or disabled family or a family that includes a person with disabilities that is experiencing a financial hardship. (i) Eligibility for relief. (A) To receive hardship relief under this

			paragraph (c)(2), a family must demonstrate that the family's applicable health and medical care expenses or reasonable attendant care and auxiliary apparatus expenses increased or the family's financial hardship is a result of a change in circumstances that would not otherwise trigger an interim reexamination. (B) Relief under this paragraph (c)(2) is available regardless of whether the family previously received deductions under paragraph (a)(3) of this section, is currently receiving relief under paragraph (c)(1) of this section, or previously received relief under paragraph (c)(1) of this section. (ii) Form and duration of relief. (A) The family will receive a deduction for the sum of the eligible expenses in paragraph (a)(3) of this section that exceed 5 percent of annual income. (B) The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier. (c) Exemption to continue childcare expense deduction. A family whose eligibility for the childcare expense deduction is ending may request a financial hardship exemption to continue the childcare expense deduction under paragraph (a)(4) of this section. The Housing

			Authority must recalculate the family's adjusted income and continue the childcare deduction if the family demonstrates to the Housing Authority's satisfaction that the family is unable to pay their rent because of loss of the childcare expense deduction, and the childcare expense is still necessary even though the family member is no longer employed or furthering his or her education. The hardship exemption and the resulting alternative adjusted income calculation will remain in place for a period of up to 90 days. (d) Hardship policy. (1) Hardship Exemptions: • A family may request a hardship exemption for increases in health and medical expenses of more than 10 percent that do not decrease adjusted income by 10 percent if the family has an inability to pay the rent increase. • A family may request a hardship exemption for continuing childcare deductions when the family no longer qualifies otherwise for the childcare deduction and childcare is still necessary (ex. Resident quits a job to care for a sick relative outside the household. Childcare may still be required to allow for the care of the relative), provided the new rent with no childcare deduction would be reduced by at least 10 percent using the childcare deduction.

			• Responsible entity determination. The responsible entity must establish a policy on how it defines what constitutes a hardship under paragraphs (b) and (c) of this section, which includes determining the family's inability to pay the rent, for purposes of determining eligibility for a hardship exemption under paragraph (d) of this section. (2) Family notification. The HA will promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from the hardship exemption. The notice must also inform the family of when the hardship exemption will begin and expire (i.e., the time periods specified under paragraph (c)(1)(ii) of this section or within 90 days or at such time as the responsibility entity determines the exemption is no longer necessary in accordance with paragraphs (c)(2)(ii)(B) or (d) of this section).
71-77	Appendix "A" Definitions		Annual Income (a) Annual income includes, with respect to the family: (1) All amounts, not specifically excluded in paragraph (b) of this section, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned

			income by or on behalf of each dependent who is under 18 years of age, and (2) When the value of net family assets exceeds $50,000 (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD. (b) Annual income does not include the following: (1) Any imputed return on an asset when net family assets total $50,000 or less (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and no actual income from the net family assets can be determined. (2) The following types of trust distributions: (i) For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets under § 5.603(b): (A) Distributions of the principal or corpus of the trust; and (B) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

			(ii) For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust. (3) Earned income of children under 18 years of age. (4) Payments received for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments. (5) Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation. (6) Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member. (7) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled. (8) Income of a live-in aide, foster child, or foster adult as defined in §§ 5.403 and 5.603, respectively. (9)(i) Any assistance that section 479B of the Higher Education Act of 1965, as

			amended (20 U.S.C. 1087uu), requires be excluded from a family's income; and (ii) Student financial assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education (as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit. (A) Student financial assistance, for purposes of this paragraph (9)(ii), means a grant or scholarship received from— (1) The Federal government. (2) A State, Tribe, or local government. (3) A private foundation registered as a nonprofit under 26 U.S.C. 501(c)(3); (4) A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or (5) An institution of higher education.

			(B) Student financial assistance, for purposes of this paragraph (9)(ii), does not include— (1) Any assistance that is excluded pursuant to paragraph (b)(9)(i) of this section. (2) Financial support provided to the student in the form of a fee for services performed (e.g., a work study or teaching fellowship that is not excluded pursuant to paragraph (b)(9)(i) of this section); (3) Gifts, including gifts from family or friends; or (4) Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under this paragraph or paragraph (b)(9)(i), exceeds the actual covered costs of the student. The actual covered costs of the student are the actual costs of tuition, books and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, or other fees required and charged to a student by the education institution, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit. This calculation is described further in paragraph (b)(9)(ii)(E) of this section.

			(C) Student financial assistance, for purposes of this paragraph (b)(9)(ii) must be: (1) Expressly for tuition, books, room and board, or other fees required and charged to a student by the education institution; (2) Expressly to assist a student with the costs of higher education; or (3) Expressly to assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the education institution and not residing in an assisted unit. (D) Student financial assistance, for purposes of this paragraph (b)(9)(ii), may be paid directly to the student or to the educational institution on the student's behalf. Student financial assistance paid to the student must be verified by the responsible entity as student financial assistance consistent with this paragraph (b)(9)(ii). (E) When the student is also receiving assistance excluded under paragraph (b)(9)(i) of this section, the amount of student financial assistance under this paragraph (b)(9)(ii) is determined as follows: (1) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is equal to or exceeds the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, none of the assistance described in this

			paragraph (b)(9)(ii) of this section is considered student financial assistance excluded from income under this paragraph (b)(9)(ii)(E). (2) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is less than the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, the amount of assistance described in paragraph (b)(9)(ii) of this section that is considered student financial assistance excluded under this paragraph is the lower of: (i) the total amount of student financial assistance received under this paragraph (b)(9)(ii) of this section, or (ii) the amount by which the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section exceeds the assistance excluded under paragraph (b)(9)(i) of this section. (10) Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, "baby bond" accounts created, authorized, or funded by Federal, State, or local government. (11) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

			(12)(i) 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); (ii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (e.g., special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program; (iii) Amounts received under a resident service stipend not to exceed $200 per month. A resident service stipend is a modest amount 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. (iv) Incremental earnings and benefits resulting to any family member from participation in training programs funded by HUD or in qualifying Federal, State, Tribal, 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 unless those amounts are excluded under paragraph (b)(9)(i) of this section. (13) 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. (14) Earned income of dependent full-time students in excess of the amount of the deduction for a dependent in § 5.611. (15) Adoption assistance payments for a child in excess of the amount of the deduction for a dependent in § 5.611. (16) 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 in prospective monthly amounts. (17) Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance. (18) 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. (19) Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit. (20) Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g., proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car). (21) Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such payments are also excluded from gross income under the Internal Revenue Code or other Federal law. (22) Amounts that HUD is required by Federal statute

			to exclude 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 paragraph (b) of this section apply. HUD will publish a notice in the Federal Register to identify the benefits that qualify for this exclusion. Updates will be published when necessary. (23) Replacement housing "gap" payments made in accordance with 49 CFR part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another Federally subsidized housing unit. Such replacement housing "gap" payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing "gap" payments. (24) Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies.

			Nonrecurring income includes: (i) Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment. (ii) Direct Federal or State payments intended for economic stimulus or recovery. (iii) Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received. (iv) Amounts directly received by the family as a result of Federal refundable tax credits and Federal tax refunds at the time they are received. (v) Gifts for holidays, birthdays, or other significant life events or milestones (e.g., wedding gifts, baby showers, anniversaries). (vi) Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization. (vii) Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings. (25) Civil rights settlements or judgments, including settlements or judgments for back pay. (26) Income received from any account under a retirement plan recognized as

			such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; except that any distribution of periodic payments from such accounts shall be income at the time they are received by the family. (27) Income earned on amounts placed in a family's Family Self Sufficiency Account. (28) Gross income a family member receives through self-employment or operation of a business; except that the following shall be considered income to a family member: (i) 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; and (ii) 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.

			(c) Calculation of Income. The PHA or owner must calculate family income as follows: (1) Initial occupancy or assistance and interim reexaminations. The PHA or owner must estimate the income of the family for the upcoming 12-month period: (i) To determine family income for initial occupancy or for the initial provision of housing assistance; or (ii) To determine family income for an interim reexamination of family income under §§ 5.657(c), 960.257(b), or 982.516(c) of this title. (2) Annual Reexaminations. (i) The PHA or owner must determine the income of the family for the previous 12-month period and use this amount as the family income for annual reexaminations, except where the PHA or owner uses a streamlined income determination under §§ 5.657(d), 960.257(c), or 982.516(b) of this title. (ii) In determining the income of the family for the previous 12-month period, the PHA or owner must take into consideration any redetermination of income during the previous 12-month period resulting from an interim reexamination of family income under §§ 5.657(c), 960.257(b), or 982.516(c) of this title.

			(iii) The PHA or owner must make adjustments to reflect current income if there was a change in income during the previous 12-month period that was not accounted for in a redetermination of income. (3) Use of other programs' determination of income. (i) The PHA may, using the verification methods in paragraph (c)(3)(ii) of this section, determine the family's income prior to the application of any deductions applied in accordance with § 5.611 based on income determinations made within the previous 12-month period for purposes of the following means-tested forms of Federal public assistance: (A) The Temporary Assistance for Needy Families block grant (, et seq.). (B) Medicaid (42 U.S.C. 1396 et seq.). (C) The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.). (D) The Earned Income Tax Credit (26 U.S.C. 32). (E) The Low-Income Housing Credit (26 U.S.C. 42). (F) The Special Supplemental Nutrition Program for Woman, Infants, and Children (42 U.S.C. 1786). (G) Supplemental Security Income (42 U.S.C. 1381 et seq.). (H) Other programs administered by the Secretary. (I) Other means-tested forms of Federal public

			assistance for which HUD has established a memorandum of understanding. (J) Other Federal benefit determinations made in other forms of means-tested Federal public assistance that the Secretary determines to have comparable reliability and announces through the Federal Register. (ii) If a PHA or owner intends to use the annual income determination made by an administrator for allowable forms of Federal means-tested public assistance under this paragraph (c)(3), the PHA or owner must obtain it using the appropriate third-party verification. If the appropriate third-party verification is unavailable, or if the family disputes the determination made for purposes of the other form of Federal means-tested public assistance, the PHA or owner must calculate annual income in accordance with 24 CFR part 5, subpart F. The verification must indicate the tenant's family size and composition and state the amount of the family's annual income. The verification must also meet all HUD requirements related to the length of time that is permitted before the third-party verification is considered out-of-date and is no longer an eligible source of income verification. (4) De minimis errors. The PHA or owner will not be

			considered out of compliance with the requirements in this paragraph (c) solely due to de minimis errors in calculating family income. A de minimis error is an error where the PHA or owner determination of family income deviates from the correct income determination by no more than $30 per month in monthly adjusted income ($360 in annual adjusted income) per family. (i) The PHA or owner must still take any corrective action necessary to credit or repay a family if the family has been overcharged for their rent or family share as a result of the de minimis error in the income determination, but families will not be required to repay the PHA or owner in instances where a PHA or owner has miscalculated income resulting in a family being undercharged for rent or family share. (ii) HUD may revise the amount of de minimis error in this paragraph (c)(4) through a rulemaking published in the Federal Register for public comment. o
77	Appendix "A" Definitions		Assets Assets mean cash (including checking accounts), stocks, bonds, savings, equity in real property, or the cash value of life insurance policies. Assets includes the value of personal property listed in the chart under the NET Family Assets definition. IMPORTANT: See

			the definition of Net Family Assets, for assets used to compute annual income. (See the definition of Net Family Assets)
78	Appendix "A" Definitions		Day Laborer An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future.
78	Appendix "A" Definitions		Earned Income Income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.
80	Appendix "A" Definitions		Foster Adult A member of the household who meets the definition of a foster child under State law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction.
82	Appendix "A" Definitions		Independent Contractor An individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently

			subject to the Self-Employment Tax. In general, an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.
84	Appendix "A" Definitions		Minor A member of the family, other than the head of family or spouse, who is under 18 years of age
84-86	Appendix "A" Definitions		Net Family Assets The net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of investment, except as excluded (see Exclusions below). Assets with negative equity. The cash value of real property or other assets with negative equity would be considered $0 for the purposes of calculating net family assets. Negative equity in real property or other investments does not prohibit the family from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets. Assets disposed of for less than fair market value. In determining the value of net family assets, PHAs must 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. Exclusions: Required exclusions from net family assets include the following: • The value of necessary items of personal property. (See chart below) • The value of all non-necessary items of personal property with a total combined value of $50,000 or less, annually adjusted for inflation. • The value of any account under a retirement plan recognized as such by the Internal Revenue Service, including Individual Retirement Accounts (IRAs), employer retirement plans (e.g., 401(k), 403(b)), and retirement plans for self-employed individuals. • The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located. • Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family being a person with disabilities. • The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of

			1986; the value of any qualified tuition program under section 529 of such Code; and the amounts in, contributions to, and 61 distributions from any Achieving a Better Life Experience (ABLE) account authorized under section 529A of such code. • The value of any "baby bond" account created, authorized, or funded by the federal, state, or local government (money held in trust by the government for children until they are adults). • Interests in Indian trust land. • Equity in a manufactured home where the family receives assistance under 24 CFR Part 982. • Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR Part 982. • Family Self-Sufficiency accounts. • Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family. • The full amount of assets held in an irrevocable trust. (See paragraph F.4.d (Trusts) of this notice.) • The full amount of assets held in a revocable trust where a member of the family is the beneficiary, but the grantor/owner and trustee of the trust is not a member of the participant family or household. (See paragraph F.4.d (Trusts) of this notice)

			Examples of Necessary and Non-Necessary Personal Property Necessary Personal Property Non-Necessary Personal Property Car(s)/vehicle(s) that a family relies on for transportation for personal or business use (e.g., bike, motorcycle, skateboard, scooter) Recreational car/vehicle not needed for day-today transportation (campers, motorhomes, travel trailers, all-terrain vehicles (ATVs)) Furniture, carpets, linens, kitchenware Bank accounts or other financial investments (e.g., checking account, savings account, stocks/bonds) Common appliances Recreational boat/watercraft Common electronics (e.g., radio, television, DVD player, gaming system) Expensive jewelry without religious or cultural value, or which does not hold family significance Clothing Collectibles (e.g., coins/stamps) Personal effects that are not luxury items (e.g., toys, books) Equipment/machinery that is not used to generate income for a business Wedding and engagement rings Items such as gems/precious metals, antique cars, artwork, etc. Jewelry used in religious/cultural celebrations and ceremonies Religious and cultural items

			Medical equipment and supplies Health care–related supplies Musical instruments used by the family
87	Appendix "A" Definitions		Seasonal Worker An individual who is hired into a short-term position and the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the particular employer or industry.
88	Appendix "A" Definitions		Unearned income Any annual income, as calculated under § 5.609, that is not earned income (see earned income definition above).
Page Number	**Section**	**Old**	**Proposed change**
20	Family Obligations under the Program 16	Not Listed	Add: See Appendix K
20	Grounds for Termination 17	The grounds on which the HA may terminate assistance for a participant family because of family action or failure to act	Change: HUD regulations specify mandatory and optional grounds for which a HA can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. (CFR 982.552 & CFR 982.553)
30	Occupied Inspections	Not Listed	Add #7. **Abatement Inspections** – If a defect is life threatening, the owner must correct the defect within no more than 24 hours. (CFR 982.404(a)(1-4)
36	Repayment Agreement	Not Listed	Add: See Appendix L

40	Notification of Termination B	Not Listed	Add: The HA will send a 30-day notice to the landlord in writing of participant(s) termination. This will serve as notice of the last HAP payment from the HA for participant(s).
Appendix C	Rent Reasonableness	Rent Reasonableness Certification	Updated form
	HOTMA Final Rule	Not Listed	Add: See Appendix M
	VAWA		General Policy Changes

Housing Authority

Housing Choice Voucher Program (Section 8)

Draft Public Comment 9/2024



Adopted by Board Resolution
Date

EQUAL HOUSING OPPORTUNITY

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I. Introduction:

A. Mission Statement:
Our goal is to provide decent, safe, and sanitary rental housing for eligible families and to provide opportunities and promote self-sufficiency and economic independence for HCV (HCV) participants. In order to achieve this mission, we will:

1. Recognize participants as our ultimate customer.
2. Improve Housing Authority (HA) management and service delivery efforts through effective and efficient management of HA staff.
3. Seek problem-solving partnerships with participants, landlords, community, and government leadership.
4. Apply limited HA resources to the effective and efficient management and operation of HCV programs.

B. Purpose of Plan:
The purpose of this plan is to establish guidelines for the HA staff to follow in determining eligibility for the HCV programs. The basic guidelines for this plan are governed by requirements of The Department of Housing and Urban Development (HUD), with latitude for local policies and procedures. The Policies and Procedures governing admissions and continued occupancy are outlined in this plan and these requirements are binding upon applicants, participants, landlords and this HA alike. Notwithstanding the above, changes in applicable federal law or regulations shall supersede provisions in conflict with this plan. ***The AHA Executive Director, on behalf of the AHA, can make any necessary revisions to this HCV Administrative Plan and Program Policies as may be required by regulatory, statutory, court order or internal policy that occurs before approval of the next presentation of the HCV Administrative Plan, which occurs annually.***
Federal Regulations shall mean those found in Section 24 CFR (Code of Federal Regulations)

C. Primary Responsibilities of the HA:

1. Informing eligible families of the availability of HCV assistance;
2. Encouraging owners to make their units available for lease by HCV participants;
3. Determining the maximum amount of housing assistance payments that can be used for family-paid utilities; and posting the utility allowances annually;
4. Receiving applications from families and determining their eligibility for assistance;
5. Inspecting HCV units to determine that they meet or exceed HCV, Housing Quality Standards; **NOTE: Effective October 1, 2024, this standard changes to NSPIRE**
6. Approving leases;
7. Making Housing Assistance Payments to owners;
8. Perform annual and periodic re-examinations of income, family composition, and redetermination of rent.

D. Objectives:

1. Promote the overall goal of decent, safe and sanitary housing by using the HCV program to house eligible families in private rental housing; therefore, increasing the housing stock for very low-income families.
2. Improve the City's housing stock by requiring participating landlords to meet Housing Quality Standards (NSPIRE Standards beginning October 1, 2024) for their rental property.
3. Facilitate the efficient management of the HA and compliance with Federal Regulations by establishing policies for the efficient and effective management of the HCV program and staff.
4. Comply in letter and spirit with Title VI of the Civil Rights Act of 1964, and all other applicable Federal laws and regulations to ensure that occupancy in assisted housing is administered without regard to race, color, religion, sex, handicap, familial status, and national origin.
5. The Housing and Community Development Act of 1974 reflects Congress's intent that, where possible, the nation's existing housing stock should be preserved. The HCV Program will allow the HA to utilize existing housing stock and allow a family who qualifies for HCV Assistance and lives in substandard housing to remain, if the owner brings the house up to HQS(NSPIRE effective October 1, 2024) standards and the HCV participant decides to remain in that unit.

E. Outreach:

1. Outreach to Owners:
   The HA will encourage participation by owners of suitable units located outside areas of low income or minority concentration by distributing and communicating information concerning property owners leasing units under the HCV programs through the local media (newspaper, radio, television, etc.).

2. Outreach to Potential Clients:
   The HA may make known to the public, through publications in a newspaper of general circulation as well as through minority media and other suitable means, the availability and nature of housing assistance for lower-income families. The notice shall inform such families where they may apply for HCV rental assistance. The HA shall take affirmative actions to provide opportunities to participate in the program to persons who, because of such factors as race, disability, ethnicity, sex of household head, age, or source of income, are less likely to apply for HCV rental assistance. The HA may hold meetings concerning the HCV programs with local social community agencies.

II. Fair Housing Plan and Equal Opportunity Housing Plan

A. Fair Housing Plan:
The Fair Housing Plan of the HA is to comply fully with all Federal, State, and local nondiscrimination laws and in accordance with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment and with the Americans with Disabilities Act. Specifically, the HA shall not on the basis of race, color, religion, sex, perceived sexual orientation, gender identity, marital status, handicap, familial status, and

national origin, deny any family or individual the opportunity to apply for or receive assistance under HUD's HCV Programs, within the requirements and regulations of HUD and other regulatory authorities. To further its commitment to full compliance with applicable Civil Rights laws, the HA will provide access to information to HCV participants regarding "discrimination." Also, this subject will be discussed during the briefing session and any complaints will be documented and made part of the applicant's/participant's file.

For families and/or individuals who report apparent discrimination in obtaining assisted housing, the HA shall assist them by providing the family/individual with a HUD Housing Discrimination Complaint Form, HUD - 903. The individual can complete this form and report apparent discrimination to the Birmingham HUD Office of Fair Housing and Equal Opportunity. For example, a participant may be trying to obtain other rental housing and/or is attempting to purchase a home and experiences apparent discrimination.

B. Equal Opportunity Housing Plan:
The HA is a participant in the tenant-based program and is required to comply with equal opportunity requirements imposed by contract or federal law (Ref: 24 CFR 982.54). This includes applicable requirements under:

1. The fair housing act, 42 U. S. C. 3610-3619 (implementing regulations at 24 CFR parts 100, et seq.);
2. Title VI of the Civil Rights Act of 1964, 42 U. S. C. 2000d (implementing regulations at 24 CFR part1);
3. The age discrimination act of 1975, 42 U. S. C. 6101-6107 (implementing regulations at 24 CFR, part 146);
4. Executive Order 11063, Equal Opportunity in Housing (1962), as amended, Executive Order 12259, 46 FR1253 (1980), as amended, Executive Order 12892, 59FR 2939 (1994) (implementing regulations at 24 CFR, part 107);
5. Section 504 of the Rehabilitation Act of 1973, 29 U. S. C. 794 (implementing regulations at 24 CFR, part 8; and
6. Title II of the Americans with Disabilities Act, 42 U. S. C.12101, et seq.

C. Equal Opportunity Posting Requirements:
There shall be maintained in the HA's office waiting room a bulletin board, which will accommodate the following posted materials:

1. Statement of Policies and Procedures Governing the HCV Administrative Plan.
2. Open Occupancy Notice (Applications being Accepted and/or Not Accepted)
3. Income Limits for Admission.
4. Utility Allowances.
5. Informal Review and Hearing Procedure.
6. Fair Housing Poster.
7. "Equal Opportunity in Employment" Poster.

D. Family Information, Verification and Privacy Rights

1. The family must supply any information that the HA or HUD determines is necessary in the administration of the public housing program. "Information" includes any requested certification, release or other documentation.
2. The family must supply any information requested by the HA or HUD for use in a regularly scheduled reexamination or an interim reexamination of family income, community service requirements and family composition in accordance with HUD requirements.
3. Any information supplied by the family must be true and complete.
4. The use or disclosure of information obtained from a family or from another source pursuant to this release and consent shall be limited to purposes directly connected with the administration of the program.
5. Applicants will be required to sign the Federal Privacy Act Statement (Form 9886-A), which states under what conditions HUD will release resident information.
    a. The executed consent form will remain effective until the family is denied assistance, the assistance is terminated, or the family provides written notification to the PHA to revoke consent.
    b. Families have the right to revoke consent by notice to the PHA; however, revoking consent will result in termination or denial of assistance.

    NOTE 1: Revocation of consent or refusal to sign the consent form prohibits the PHA from requesting and accessing income information and financial records, including pulling any EIV reports and use of EIV data to verify income.

    NOTE 2: The PHA must notify the local HUD office when an applicant or participant family member revokes their consent.
6. Requests for information by other parties must be accompanied by a signed release request in order for the HA to release any information involving an applicant or participant, unless disclosure is authorized under Federal or State law or regulations.

III. Applying For Assistance

A. How to Apply:

1. Families wishing to apply for housing assistance shall complete an application for public assistance. Families are entitled to reasonable accommodation in the application process.
2. Applications will be accepted on the Housing Authority WEB site, via email or in person at the following location: 500 Glenn Addie Ave., Anniston, AL 36202.
3. Applications are taken to compile a waiting list. Based on the demand for housing in the HA's jurisdiction, the HA may take applications on an "open enrollment" basis, depending on the length of the waiting list.
4. Completed applications will be accepted for all applicants and the information will be verified by the HA.
5. The application must be dated, time-stamped, and referred to the HA's office where HCV applications are processed.

6. Individuals who have a physical impairment which would prevent them from completing an application as described in item 2 above may call the HA to make special arrangements to complete their application.

B. Opening and Closing Waiting Lists:

1. If the HA's waiting list has sufficient applications to fill anticipated openings for the coming 12 months, the HA may elect to:
   a. Close the waiting list completely;
   b. Close the list during certain times of the year; or
   c. Restrict intake by preference.
2. A decision to close the waiting list will consider the number of applications, the number of applicants who qualify for a preference, and the ability of the HA to provide assistance in 12 months. Decisions to close waiting lists, restrict intake, or open waiting lists will be publicly announced.
3. When the waiting list is closed, the HA will not maintain a list of individuals who wish to be notified when the waiting list is re-opened.

IV. Missed Appointments for Applicant or Participant

A. Missed Appointment Without Notification:
An applicant or person receiving assistance who fails to keep an appointment without notifying the HA and without re-scheduling the appointment shall be sent a notice of termination of the process or assistance for failure to supply such certification, release of information or documentation as the HA or HUD determines to be necessary (or failure to allow the HA to inspect the dwelling unit at reasonable times and after reasonable notice, if applicable) in the following situations:

1. Complete Application
2. Bringing in Verification Information
3. Program Briefing
4. Leasing Signature Briefing
5. HQS Inspections
6. Recertification
7. Interim Adjustment
8. Other Appointments or Requirements to Bring in Documentation as Listed in this Plan
9. Scheduled Counseling Sessions

B. Process when Appointment(s) are Missed:
For most of the functions above, the family may be given two appointments. If the family does not appear or call to reschedule the appointment(s) required, the HA may begin the termination process. The applicant or participant will be given an opportunity for an informal review or hearing pursuant to Section XXXVI and Section XL.
If the representative of the HA makes a determination in favor of the applicant or participant, the HA will comply with decision unless the HA is not bound by a hearing

decision concerning a matter for which the HA is not required to provide an opportunity for a hearing pursuant to 24 CFR 982.

C. Letters Mailed to Applicants by the HA:
If an applicant claims they did not receive a letter mailed by the HA, that requested the applicant to provide information or to attend an interview, the HA will determine whether the letter was returned to the HA. If the letter was not returned to the HA, the applicant will be assumed to have received the letter.
If the letter was returned to the HA and the applicant can provide evidence that they were living at the address to which the letter was sent, the applicant will be reinstated with the date and time of the application in effect at the time the letter was sent.
Applicants must notify the HA, in writing, if their address and/or phone number changes during the application process.

V. Misrepresentation by the Applicant or Participant

If an applicant or HCV participant is found to have made willful misrepresentations at any time which resulted in the applicant or HCV participant being classified as eligible, when, in fact, they were ineligible, applicant will be declared ineligible, and the HCV participant will be terminated because of the act of fraud and/or willful misrepresentation by the applicant/HCV participant. If such misrepresentation resulted in the HCV participant receiving more subsidy than was appropriate, the HCV participant shall be required to reimburse the HA the amount of overpayment and their assistance may be terminated. In justifiable instances, the HA may take such other actions as it deems appropriate, including referring the HCV participant to the proper authorities for possible criminal prosecution.

VI. Housing Choice Voucher Eligibility Criteria

A. Eligibility:
All individuals who are admitted to the HCV Program in the HA must be individually determined eligible under the terms of this plan. In order to be determined eligible, an applicant must meet the following requirements:

1. The applicant family must qualify as a family as defined in Appendix "A."
2. The applicant family's Annual Income as defined in Appendix "A" must not exceed income limits established by HUD for the HCV Programs.
3. Head of Household must be:
   a. 18 years of age or older,
   b. A person that has been relieved of the disability of non-age by a juvenile court.

B. Ineligible:
Applicants are not automatically determined eligible to receive federal assistance. An applicant will not be placed on a waiting list or offered HCV assistance under the following circumstances:

1. If the applicant's annual family income exceeds the Income Limits established by HUD; or,

2. As specified in Section VII of this document.

C. Informed of Ineligibility:

If the applicant has failed to meet any outstanding requirements for eligibility and is determined ineligible, he/she will be so informed, and the reasons stated in writing. The applicant will be granted ten days from the date stated on the ineligible letter to request an informal meeting. The applicant may bring any person he/she wishes to represent them at the informal meeting. The request for an informal meeting may be submitted in writing. However, the request must be received by the HA within the time frame established by the HA for the meeting. See Section XXXVI.

D. Single Person:
In addition, under 24 CFR, the HA is permitted to determine as eligible, single persons living alone or intending to live alone who do not meet any of the definitions of a family. Single persons are only eligible for a one-bedroom voucher.

E. Declaration of Citizenship:
Section 214 of the Housing and Community Development Act of 1980 prohibits HAs from making financial assistance available to a person other than United States citizens, nationals, or certain categories of eligible Non-citizen in HUD's assisted housing programs.

F. Adding a Person to the Program:
Once an applicant becomes a participant in the HA's HCV program, the head of household must request permission to add another person to the program (Except for birth, adoption, or court-ordered custody of a child. For the purpose of the paragraph, a child is defined as a person under the age of 13). The person being added must meet all eligibility requirements before the HA will approve any addition to the HCV program.

VII. Eligibility for Admission and Processing of Applications

A. Qualifying for Admission:
The term (qualifying) refers to applicants who are eligible and able to meet the applicant selection standards.

1. It is the HA's plan to admit only qualified applicants.
2. An applicant is qualified if he or she meets all of the following criteria:
   a. A family, as defined in Appendix "A."
   b. Meets HUD requirements on citizenship or immigration status;
   c. Has an annual income as defined in Appendix "A"; at the time of admission that does not exceed the income limits (maximum incomes by family size established by HUD) posted in the HA offices.
   d. Assets do not exceed the limits described later in this plan.
   e. Provides documentation of Social Security numbers for family members.
   f. Non-citizens may certify that they do not have Social Security numbers (lawfully present noncitizens who state that they have not been assigned an SSN by the

SSA, should make such declaration in writing and under penalties of perjury to the PHA. The PHA should maintain the declaration in the tenant file); and

g. If the family lacks the documentation necessary to verify the Social Security Number (SSN) of a family member under the age of 6 years, there is a 90-day period during which an applicant family may become a program participant. An extension of one additional 90-day period must be granted if the PHA determines that, in its discretion, the applicant's failure to comply was due to circumstances that could not reasonably have been foreseen and were outside of the control of the applicant.
NOTE: THE HA MUST DEVELOP A TRACKING SYSTEM TO ENSURE COMPLIANCE.

Form HUD-92006, Supplement to Application for Federally Assisted Housing, shall be completed as appropriate at admission and/or recertification. This form shall remain confidential.

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h. Meets the Applicant Selection Criteria including completing the HA-approved pre-occupancy orientation session if requested; and
i. Meets the eligibility requirement for higher education students.

B. Maintaining the Waiting List.

1. Administration of the Waiting List:
It is the plan of the HA to administer its waiting list as required by HUD's regulations.

2. Updating the Waiting List:
At least once a year the HA will update the waiting list by contacting all applicants in writing, or by the method designated at initial application by applicants with disabilities. Written communications will be sent by first class mail to the most current address supplied by the applicant. This is in addition to ongoing purging through the offering of units. (Offer letter must state that failure to respond will result in removal from the waiting list).

If no response is received or if mail is returned undeliverable by the post office (retained unopened by the HA in the applicant file) the HA will withdraw the name of an applicant from the waiting list.

At the time of initial intake, the HA will advise families that they must notify the HA, in writing, when their circumstances, mailing address or phone number(s) change.

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3. Change in Preference Status While on the Waiting List:
   a. Situations of some families who did not qualify for a preference when they applied may change so they are qualified for a preference. The family should contact the HA so their status may be certified or verified. Applicants whose preference status changes while they are on the waiting list retain their original date and time of application, or application number, as applicable.
   b. If the HA determines that the family does now qualify for a preference, they will be moved up on the waiting list in accordance with their preference(s) and their

date and time of application. They will then be informed in writing of how the change in status has affected their place on the waiting list.

C. Processing Applications for Admission:

1. Interviews:
As applicants approach the top of the waiting list, they will be contacted by phone and/or first-class mail to schedule an interview to complete their applicant file. Applicants who fail to attend their scheduled interview or fail to reply to the phone call/letter will have their applications withdrawn, subject to reasonable accommodations for people with disabilities.

2. Verification Process:
The following items will be verified to determine qualification for admission to the HA's HCV program.
   a. Family composition
   b. Eligibility of higher education student head of household
   c. Annual Income:

Income verification will be conducted in the chronological order listed below: Each step must be documented prior to proceeding to use the next option. The specified order listed below must be followed:

Step	Action
1st	Enterprise Income Verification (EIV). Must review EIV Income Report for all families when verifying income and maintain a copy in the resident file. NOTE: Cannot be used to calculate earned income.
2nd	Up front income verification (UIV) (Ex: Work Number, Credit Bureau). UIV sources are those that can be accessed directly by the PHA either online or via automated telephone system. ***If desired information is NOT obtained go to next step.***
3nd	Written Third Party Verification: Mandatory to supplement EIV reported income. Third-party generated documents, include paystubs, bank statements, print outs from online system, benefit letter, etc. Must collect at least two consecutive paystubs for employment income. If desired information is NOT obtained go to next step.
4rd	Third party written verification form. Send standard income verification to income source(s). May be sent by mail or fax. **Note:** ***If a desirable response is not received in a timely manner a 2nd letter may be sent but not required in all cases.*** ***If desired information is NOT obtained go to next step.***
5th	Third Party oral verification (documented to file). This could be via phone or interview by staff. A written record of this contact should be prepared by the HA that includes: date/time of contact, name and source of information, the HA staff person, summary of information provided, and the reason for using oral verification. ***If desired***

	information is NOT obtained go to next step.
6th	Family Declaration or Certification: When all other forms of verification are impossible to obtain, the HA can obtain a notarized statement or signed affidavit from the family, attesting to the accuracy of the information provided. The applicant's file should clearly document why other forms of verification were impossible to obtain. Please note that this type of documentation should rarely be used and should not be used merely for the convenience of the applicant or the HA, or where the applicant cannot provide the necessary information. Note: Use to verify required information; however, may require reverification in less than 12 months.

d. Assets and Asset Income

(1) Real Property Ownership - The PHA will rely upon a self-certification from the family at both admission and reexamination stating that they do not have any present ownership interest in any real property.

i. If a family declares present ownership in real property, PHAs must seek third-party verification of the following, as applicable:

- Whether or not the family has the legal right to reside in the property; and
- Whether or not the family has the effective legal authority to sell the property; and
- Whether or not the property is suitable for occupancy by the family as a residence.

ii. In the case of a family member who is a victim of domestic violence, dating violence, sexual assault, or stalking, the PHA will comply with the confidentiality requirements under 5.2007. The PHA will accept a self-certification from the family member, and the restrictions on requesting documentation under § 5.2007 apply.

(2) Net Family Assets under $50,000

i. The PHA will accept a family's self-certification of net family assets equal to or less than $50,000 (adjusted annually for inflation) and anticipated income earned from assets without taking additional steps to verify accuracy, at admission and at reexamination, except.

ii. Every three years at reexamination net family assets must be fully verified

e. Social Security and SSI; Check EIV, if not available: request that the applicant provide a copy of their SS or SSI benefit letter, dated within the last 120-days or a statement dated within the appropriate benefit year. If the applicant does not have a current letter, assist the applicant in requesting the benefit letter from the SSA website. www.socialsecurity.gov

f. Deductions from Income

Same as income (start with 3rd step)

g. Preferences
Same as income (start with 3rd step)

h. Social Security Numbers (SSN) of all Family Members; Families are required to provide SSNs for all family members prior to admission. All members of the family defined above must provide an original valid social security card or other original government issued document containing the name and SSN.
   (1) A self-certification and a third-party document with the applicant's name printed on it may be used satisfy the SSN disclosure requirement if the PHA has exhausted all other attempts to obtain the required documentation.
   (2) Prior to being added to the lease (newborns/adoptions/etc.) the head-of-household must provide an original valid card or other original government issued document containing the name and SSN.
      (a) Applicant Screening Information; and the HA documented direct knowledge or 3rd party.
      (b) Citizenship or eligible immigration status: Citizens are permitted to certify to their status. Eligible Immigration status will be verified with INS.

i. Applicants reporting zero income may be asked to complete a family expense form to document how much they spend on: food, transportation, health care, childcare, debts, household items, etc. and what the source of income is for these expenses.

j. The HA's applications for admission HCV shall indicate for each application the date and time of receipt; applicant's race and ethnicity; determination by the HA as to eligibility of the applicant; when eligible, the bedroom size(s) for which eligible; preference, if any. The date, location, identification, and circumstances of each vacancy offered and accepted or rejected must be maintained.

D. The Preference System:

1. An admission preference:
An admission preference does not guarantee admission. Preferences establish the order of placement on the waiting list. Every applicant must still meet the HA's Selection Criteria before being offered a voucher.

2. Verification of Preferences:
At the time of application, initial determinations of an applicant's entitlement to a preference may be made on the basis of an applicant's certification of their qualification for that preference. Before selection is made, this qualification must be verified.

3. Preference (up front):
The following preference is available to qualifying families at this time:
   a. Catastrophic Involuntary Displacement, which is defined in this plan: 50 Points
   b. Working Families: 15 Points
   c. Elderly/Disabled/Handicapped Families: 35 Points

A family that consists only of a pregnant woman must be treated as a two-person family.

4. Administration of the Preferences:
   a. Depending on the time an applicant may have to remain on the waiting list, the HA will either verify preferences at the time of application (when the waiting list is short or nonexistent) or require that applicants certify to their qualification for a preference at the time of pre-application (when the wait for admission exceeds four months). Verifying preferences is one of the earliest steps in processing applicants for admission. Preference verifications shall be no more than 120 days old at the time of certification.
   b. The HA may use a pre-application to obtain the family's certification that it qualifies for a preference. The family will be advised to notify the HA of any change that may affect their ability to qualify for a preference.
   c. Applicants that are otherwise eligible and self-certified as qualifying for a preference will be placed on the waiting list.
   d. Applicants that self-certify to a preference at the time of pre-application and cannot verify current preference status at the time of certification will be moved into the non-preference category, and to a lower position on the waiting list based on date and time of application, if applicable.

5. Notice and Opportunity for a Meeting

   If the HA determines that an applicant does not meet the criteria for a preference, the HA must promptly provide the applicant with written notice of the determination. The notice must contain a brief statement of the reasons for the determination, and state that the applicant has the right to meet with the HA's designee to review it. If a meeting is requested within the time specified in the notice, it must be conducted by a person or persons designated by the HA. The person designated by the HA to conduct the informal hearing shall be an impartial person appointed by the HA other than a person who made the approval of the HA's action under review or a subordinate of such person. The procedures specified in this section must be carried out in accordance with HUD's requirements. The applicant may exercise other rights if the applicant believes that he or she has been discriminated against on the basis of race, color, age, religion, sex, disability, familial status, or national origin.

E. Screening Applicants for Admission:

1. The HA will conduct a detailed interview of all applicants and may use an interview checklist as a part of the screening procedures. The form will ask questions based on the essential elements of participation. Answers will be subject to third party verification.
2. All applicants must complete an application interview.
3. The applicant and all adults must sign a release allowing the HA to request a copy of a police report from the National Crime Information Center, police department or other law enforcement agencies.

F. Screening Reasons for Denial of Admission.

1. Outstanding balances owed to any HA or any other federally subsidized housing program is part of the screening evaluation. Outstanding balances will result in the rejection of the application.

Applicants that owe a HA or any other federally subsidized program funds will not be processed for occupancy. The applicant must pay the funds owed prior to the application being processed. After the application is processed, the applicant must meet all other conditions for occupancy. *Re-paying funds that are due does not necessarily qualify an applicant for occupancy.* Such payments will be considered along with other factors in the application process. Any money owed to a HA which has been discharged by bankruptcy shall not be considered in making this determination.

2. **Asset Limitation**
   PHAs must deny admission of an applicant family for the following:
   - Net family assets that exceed $100,000 (adjusted annually for inflation); and/or
   - The family has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell the real property (based on laws of the state or locality in which the property is located) that is suitable for occupancy by the family as a residence.
   - The PHA will not enforce the asset limitation(s) above at Interim/Annual reexamination. The PHA will still calculate net family assets in the manner required by HUD.
   - See VAWA exceptions.

3. The HA will complete a criminal background check on all adult applicants or any member for whom criminal records are available. Before the HA rejects an applicant on the basis of criminal history, the HA must notify the household of the proposed rejection and proceed under the provisions of the Criminal Records Management Policy. Policy in Appendix "J"
4. If any screening activity suggests that an applicant household member may be currently engaged in illegal use of drugs, the HA may seek information from a drug abuse treatment facility or local law enforcement agency to determine whether the facility or agency has reasonable cause to believe the household member is currently engaging in illegal drug use.

The HA may require an applicant to exclude a household member in order to be admitted if that household member has participated in or been culpable for criminal actions that warrant rejection.

5. Record of eviction from housing or involuntary termination from residential programs (taking into account date and circumstances).
6. The HA is required to reject the applications of certain applicants for criminal activity or drug abuse by household members if the HA determines that:
   a. Any household member is currently engaging in illegal use of a drug; or
   b. The HA has reasonable cause to believe that a household member's illegal use or pattern of illegal use of a drug may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;
   c. Any household member has ever been convicted of manufacture or production of methamphetamine on the premises of any federally assisted housing;

d. Any member of the household is subject to a lifetime registration requirement under a state sex offender registration program; or

The HA will verify the information provided by the applicant by searching the Dru Sjodin National Sex Offender Database. The Dru Sjodin National Sex Offender Database is an online, searchable database, hosted by the Department of Justice, which combines the data from individual state sex offender registries. The website for the database is located at: http://www.nsopw.gov. A record of this screening, including date performed, will be retained. The HA will destroy the results of the search in accordance with 24 CFR 5.903 (g). The HA will retain the results of the search, along with the application, for a period of three years if the applicant is denied housing or, if the applicant is admitted to the program, for the term of tenancy plus three years.

e. Any member of the household's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

7. The HA shall reject the application of any applicant if, within the last ***three years***, any household member has been evicted from any federally assisted housing for drug related criminal activity. However, the HA may admit the household if the HA determines that:
   - The evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program approved by the HA, or
   - The circumstances leading to the eviction no longer exist (for example, the criminal household member has died or is imprisoned).

8. An applicant's intentional misrepresentation of information related to eligibility, preference for admission, housing history, allowances, family composition, or rent will result in rejection. In the event the misrepresentation is discovered after admission, the assistance will be terminated for such misrepresentation. Unintentional mistakes that do not confer any advantage to the applicant will not be considered misrepresentations.
9. Applicant or family member has previously been evicted from public housing, including having moved from the HA as a result of their lease being terminated by the HA.
10. Applicant or family member has committed acts, which would constitute fraud in connection with any federally, assisted housing program.
11. Applicant or family member did not provide information required within the time frame specified during the application process.
12. During the interview process, the applicant or a family member demonstrates hostile behavior that indicates that the prospective applicant or family member may be a threat.
13. If the HA uses the criminal information history to deny or terminate assistance the HA must provide a copy of the information used in accordance with Criminal Records Management Policy.

14. If the applicant is enrolled as a student at an institute of higher education (as defined under Section 102 of the higher education act of 1965) and;
    a. Is not a veteran
    b. Is not married
    c. Is under 24 years of age
    d. Doesn't have a dependent child
    e. Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible to receive HCV.
15. If the applicant is a former Public Housing or HCV participant who vacated the unit in violation of his lease, the applicant may be declared ineligible.
16. If the applicant doesn't certify U.S. Citizenship or legal immigration status can't be verified, the applicant must be declared ineligible.

G. Qualified Applicants:

1. Verified information will be analyzed and a determination made with respect to:
    a. Eligibility of the applicant as a family;
    b. Eligibility of the applicant with respect to income limits for admission;
    c. Eligibility of the applicant with respect to citizenship or eligible immigration status;
    d. Eligibility of the applicant with respect to net family assets limit;
    e. Preference category (if any) to which the family is entitled; and
    f. Qualification of the applicant with respect to the Selection Criteria.
2. Qualified (DETERMINED TO BE ELIGIBLE):
   Families will be notified by the HA of the approximate time frame for issuance of the voucher insofar as that date can be determined; however, the time frame stated by the HA is an estimate and does not guarantee that applicants can expect to be assisted by that date.

H. Unqualified Applicants (Time Frames):

1. As a rule, applicants may be denied admission to HCV Program for the following time frames, which shall begin on the date of application, unless otherwise provided for herein below:
    a. Denied admission for up to ***one year*** for the following:
        (1) Violation of family obligation under the voucher,
        (2) Illegal use or possession for personal use of a controlled substance,
        (3) Abuse of alcohol,
        (4) Demonstration of hostile behavior during the interview process that indicates that the applicant may be a threat,
        (5) Being evicted from a HA, including having moved from a HA as a result of their lease being terminated by the HA for reasons other than as listed below,
        (6) Having other federally subsidized housing assistance terminated for reasons other than as listed below.
    b. Denied admission for up to ***three-years*** for the following:
        (1) Persons evicted from public housing, Indian Housing, HCV, or Section 23 programs because of drug related criminal activity (except drug trafficking)

are ineligible for admission to HCV housing for up to a ***three-year*** period beginning on the date of such eviction.

(2) The HA will consider mitigating circumstances including successful completion of a rehabilitation program approved by the HA, or the circumstances leading to the eviction no longer exist.

(3) Drug use without evidence of rehabilitation.

c. Denied admission for up to ***five-years*** for the following:

(1) Fraud: (giving false information on the application or during an interview is considered fraud).

(2) A criminal record that indicates that the applicant may be a threat and/or negative influence on other residents. The five years shall begin on date of the last reported act or conviction.

d. Denied admission for up to ***10-years*** from date of conviction for drug trafficking/distribution.

e. Denied admission ***for life*** to any household that includes any individual who is subject to a lifetime registration requirement under a State sex offender registration program.

f. Denied admission ***for life*** to any applicant who has been convicted of manufacturing or producing methamphetamine (commonly referred to as "speed") **on the premises of any federally assisted housing**. Premises are defined as the building or complex in which the dwelling unit is located, including common areas and grounds.

These time frames (with the exception of 5 and 6 which are HUD mandated) are only guidelines and the HA may deny admission to any individual whose behavior may adversely affect the health, safety, welfare, or right to peaceful enjoyment of the residences by persons residing in the immediate vicinity of the premises or may admit persons who exhibit evidence of rehabilitation.

2. Notice to Denied Applicants:
Unqualified applicants will be promptly notified by a Notice of Rejection from the HA, stating the basis for such determination and offering an opportunity for informal hearing (see Procedure for Informal Hearing for Rejected Applicants). The denial letter will allow the applicant 10 calendar days to request an informal meeting (verbal and/or in writing) with the HA. An HA representative will hear the appeal and issue a decision within 10 calendar days of the meeting.

VIII. SUBSIDY STANDARDS

A. Guidelines:
The following guidelines shall determine the number of bedrooms required to accommodate each family without overcrowding or over housing.

Guidelines

Number of Bedrooms	Number of Persons	
	Minimum	Maximum
1 Br	1	2

2 Br	2	4
3 Br	3	6
4 Br	4	8
5 Br	5	10
6 Br	6	12

The following principles govern the size of the voucher for which a family will qualify.

Generally, two people are expected to share each bedroom, except that subsidy standards will be so assigned that:

1. It will not be necessary for adults of different generations or opposite sex, other than husband and wife or persons who represent themselves as a couple, to occupy the same bedroom.
2. Exceptions to the largest permissible subsidy size may be made in case of reasonable accommodations for a person with disabilities, if requested. In the case of chronic illness, or other physical infirmity, a deviation from the occupancy guidelines, as presented above, is permissible when justified with evidence and documentation from a licensed physician or other health care provider.
3. Two children of the opposite sex over the age of six years will not be required to share a bedroom.
4. At the option of the HA, an infant, up to the age of two years, may share a bedroom with its parent(s). The HA may, but it is not required to, consider an unborn child in determining subsidy size.
5. The HA will count a child who is temporarily away from the home because the child has been placed in foster care for six months or less, is away at school or other situations that can be documented.
6. A single head of household parent shall not be required to share a bedroom with his/her child over the age of two years.
7. A live-in aide will be assigned a bedroom.

IX. Selection Process

A. Housing Voucher Selection and Participation Process:

1. Types of Selection:
   The HA may admit an applicant for participation in the program either:
   a. As a special admission (see definition below), or
   b. As a waiting list admission.

A HCV Participant is responsible for finding an existing housing unit suitable to the holder's needs and desires that meets HQS(NSPIRE effective October 1, 2024) and rent reasonableness standards.

2. Special Admissions:

If HUD awards the HA program funding that is targeted for families living in specified units:

a. The HA must use the assistance for the families living in these units.
b. The HA may admit a family that is not on the HA waiting list, or without considering the family's waiting list position. The HA must maintain records showing that the family was admitted with HUD-targeted assistance.
c. For housing covered by the Low-Income Housing Preservation and Resident Home ownership Act of 1990 (41 U.S.C. 4101 et seq.):
d. A family residing in a project covered by a project-based HCV HAP contract at or near the end of the HAP contract term.

B. Organization of the Waiting List:
The HA waiting list must contain the following information for each applicant listed:

1. Applicant name;
2. Family voucher size (number of bedrooms for which family qualifies under HA subsidy standards);
3. Date and time of application;
4. Local Preferences.

C. Order of Selection from the Waiting List:

1. When a Housing Voucher assistance is available, the HA will select the family at the top of the waiting list. The order of admission from the waiting list MAY NOT be based on family size, or on the family unit size for which the family qualifies for under the HA subsidy standards. If the HA does not have sufficient funds to subsidize the family unit size of the family at the top of the waiting list, the HA MAY NOT skip the top family to admit an applicant with a smaller family unit size. Instead, the family at the top of the waiting list will be admitted when sufficient funds are available.
2. Provided, however, the provisions of the Deconcentration Rule, contained within this plan, shall supersede the selection of applicants based on date and time and local preference, if applicable, and allow the HA to skip families on the waiting list to accomplish this goal.

D. Maintaining the Waiting List:
The HA will remove an applicant's name from the waiting list for the following:

1. The HA will remove names of applicants who do not respond or for which mail has been returned undeliverable to HA request for information or updates.
2. The HA will remove the names of applicants who refuse the HA's offer of tenant-based assistance.

X. Orientation of Families and Issuance of Housing Voucher

A. Briefing:

The purpose of the briefing is to go over the Housing Voucher holder's packet and inform the participant about the program so that he/she will be able to discuss it with potential landlords.

B. Briefing Attendance Requirement:
All families (head of household) are required to attend the briefing when they are initially issued a Housing Voucher. No Housing Voucher will be awarded unless the head of household has attended a briefing.
Failure to attend a scheduled briefing (without notice to the HA) will result in the family's application being placed in the inactive file and the family may be required to reapply for assistance. Applicants who provide prior notice of an inability to attend a briefing will be scheduled for the next briefing.
Failure of an applicant, without good cause, to participate in a scheduled briefing shall result in withdrawal of his/her application. The applicant will be notified of such withdrawal and determination of ineligibility and of his/her right to an informal review as outlined in Section XXXIX.

C. Format of the Briefing:
When a Family initially receives its Housing Voucher, a full explanation (oral) of the following shall be provided to assist the Family in finding a suitable unit and to apprize the Family of its responsibilities and the responsibilities of the Owner (this may be done either in group or individual sessions depending on the circumstances). Also, families will be given adequate opportunity to raise questions and to discuss the information listed below:

1. A description of how the program works;
2. Family and Owner Responsibility; and
3. Where the family may lease a unit, including renting a dwelling unit inside or outside the HA jurisdiction.
4. Description of EIV process.
5. Portability
6. The briefing must explain the advantages of selecting a unit in an area that does not have a high concentration of poor families.

D. Voucher Package:
When issuing a Housing Voucher, the HA shall give the Family an HCV Participant's Packet, which includes:

1. Voucher Term:

   The term of the voucher is 60 days from the date of issuance. Prior to expiration, the family may contact the HA to inquire about assistance the HA can provide the family in locating suitable housing. The family must submit a Request for Tenancy Approval within the 60-day period unless an extension has been granted by the HA. Once the family has submitted a Request for Tenancy Approval the clock is stopped and/or suspended on the term of the voucher (See "Suspension"). If the unit is not approved for any reason, the remaining days will be reinstated. If the initial term is not adequate for finding a unit to lease, the family may request an extension of the initial term as described below.

2. Requesting for Extensions of the Term:
A family may request an extension of the Voucher time-period. All requests for extensions should be received prior to the expiration date of the Voucher. The HA grants an applicant or participant family extensions of the initial voucher term in accordance with PHA policy. AHA current HCV Administrative Plan allows for a maximum voucher term, with all allowable extensions including reasonable accommodations, up to a term reasonably required for that purpose but not to exceed 180 cumulative days unless the HCV Program Coordinator approves an additional 30-day extension in writing. All requests for a voucher extension must be in writing. Extensions are permissible at the discretion of the HA primarily for the following reasons:
   a. Extenuating circumstances such as hospitalization or a family emergency for an extended period of time which has affected the family's ability to find a unit within the initial 60-day time period. The HA representative will verify the extenuating circumstances prior to granting an extension.
   b. The family has evidence that they have made a consistent effort to locate a unit and request support services from the HA, throughout the initial 60-day period with regard to their inability to locate a unit.
   c. The family has turned in a Request for Lease Approval prior to the expiration of the 60-day time period, but the unit has not passed HQS.

3. Determining the Family Housing Assistance Payment:
How the HA determines the housing assistance payment for a family, including information on the payment standard and the HA utility allowance schedule.

4. Maximum Rent Determination:
How the HA determines the maximum rent for an assisted unit;

5. Family's Considerations:
What the family should consider in deciding whether to lease a unit, including:
   a. The condition of the unit; Note: The family should consider cosmetic conditions that may not be an HQS (NSPIRE effective October1, 2024) consideration.
   b. Whether the rent is reasonable;
   c. The cost of any tenant-paid utilities and whether the unit is energy-efficient; and
   d. The location of the unit, including proximity to public transportation (if applicable), centers of employment, schools, and shopping.
   e. The family should consider the crime level of the neighborhood.

6. Where the Family may Lease:
Where the family may lease a unit. The information packet must include an explanation of how portability works and when families qualify.

7. HUD Required "Lease Addendum:"
The lease addendum is the language that must be included in the lease.

8. Request for Tenancy Approval:
The form of request for Tenancy approval, and an explanation of how to request HA approval to lease a unit;

9. PHA Plan on Providing Information:

A statement of the HA plan on providing information about a family to prospective owners (See Section XII);

10. Subsidy Standards:
    The HA subsidy standards, including when the HA will consider granting exceptions to the standards;

11. How to Select a Unit:
    The HUD brochure on how to select a unit;

12. Lead Based Paint:
    The HUD lead-based paint (LBP) brochure;

13. Federal, State, and Local Equal Opportunity Laws:
    Information on federal, state, and local equal opportunity laws, a copy of the HA's request for a reasonable accommodation form, and a copy of the housing discrimination complaint form;

14. Landlord List:
    A list of landlords or other parties known to the HA who may be willing to lease a unit to the family, or help the family find a unit;

15. Disabled Notice:
    Notice that if the family includes a disabled person, the family may request a current listing of accessible units known to the HA that may be available;

16. Family Obligations under the Program: Policy in Appendix "K"

17. Grounds for Termination:
    HUD regulations specify mandatory and optional grounds for which a HA can terminate a family's assistance. They also specify the circumstances under which an owner may terminate the tenancy of an assisted family. (CFR 982.552 & CFR 982.553)

18. Informal Hearing Procedures:
    The informal hearing procedures. This information must describe when the HA is required to give a participant family the opportunity for an informal hearing, and how to request a hearing.

19. A copy of the HA's Request for a Reasonable Accommodation Form and a copy of the VAWA forms.

XI. Housing Authority Disapproval of Owner

A. HUD Disapproval:
The HA must not approve a unit if the HA has been informed (by HUD or otherwise) that the owner is debarred, suspended, or subject to a limited denial of participation. Also, the HA must not approve a unit if:

1. The federal government has instituted an administrative or judicial action against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and the action is pending; or

2. A court or administrative agency has determined that the owner violated the Fair Housing Act or other federal equal opportunity requirements.
3. If the owner is a parent, child, grandparent, grandchild, sister, or brother of any member of the participant family, the HA must not approve the unit. However, if the housing authority determines that approval of the unit would provide reasonable accommodation for a family member who is a disabled person, the unit may be approved.
4. Conflicts of interest
   a. Present or former member or officer of the HA, except a participant commissioner.
   b. Employee of the HA or any contractor, sub-contractor or agent of the HA who formulates policy or influences program decisions.
   c. Public official, member of a governing body, or state or local legislature who exercises function or responsibility related to the program.
   d. Members of U.S. Congress.

The HUD Field Office may waive the conflict-of-interest requirements, except for members of Congress, for good cause.

B. HA Administrative Discretion:
The HA will deny approval to lease a unit from an owner for any one of the following:

1. Owner has violated obligations under a HAP contract.
2. Owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program.
3. The owner has engaged in drug-trafficking.
4. The owner has a history or practice of non-compliance with the HQS (NSPIRE effective October 1, 2024) requirements, State, or local housing codes.
5. The owner has not paid State or local real estate taxes, fines or assessments.
6. Current or prior history of refusing to evict HCV program or other assisted housing tenants for activity by the tenant, any member of the household, a guest, or another person under the control of any member of the household that:
   a. Threatens the right to peaceful enjoyment of the premises by other residents;
   b. Threatens the health or safety of residents, HA employees, or owner employees;
   c. Threatens the neighbors' health or safety, or neighbors' right to peaceful enjoyment of their residences;
   d. Engages in drug related criminal activity or violent criminal activity.

XII. Owner Responsibility for Screening

A. Suitability for Tenancy:
The HA must inform the owner that the HA has not screened the family's behavior or suitability for tenancy and that such screening is the owner's own responsibility.

B. Family's Background:
An owner may consider a family's background with respect to such factors as:

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

C. Information Provided Owner Concerning Tenancy:
The HA must give the owner the family's current address (as shown in the HA records) and the name and address of the landlord at the family's current and prior addresses, if known to the HA.

XIII. Where a Family Can Lease - Including Portability

A. Assistance in the Initial HA Jurisdiction:
The family may receive tenant-based assistance to lease a unit located anywhere in the jurisdiction of the initial HA.

B. Portability - Assistance Outside the Initial HA Jurisdiction:
Families living in the jurisdiction of the initial HA may receive tenant-based assistance to lease a unit in the jurisdiction of an HA anywhere in the United States that is administering a tenant-based program. Once a participant transfers under the portability procedures the receiving HA's policies govern the continuing participation.

Exception: If the HA does not have sufficient funds to cover the cost of a port to a higher cost area the HA will deny the port unless the receiving HA agrees in writing to absorb. The HA will document the lack of funds using the two-year tool.

Applicants that do not live in the jurisdiction of the initial HA at the time they apply for tenant-based assistance do not have any right to lease a unit outside the initial HA's jurisdiction until they have been on the program for twelve (12) months.

C. Income Eligibility

1. For admission:
A family must be income eligible in the area where the family initially leases a unit under the program.

2. Port-In:
If a portable family was already a participant in the initial HA program, income eligibility is not redetermined.

D. Leasing in Place:

A family may select their current dwelling unit for participation in the program if the dwelling unit is approved.

E. Freedom of Choice:
The HA may not directly or indirectly reduce the family's opportunity to select among available units.

F. Portability - Administration by Receiving HA:
When a family moves under portability to an area outside the initial HA jurisdiction, another HA (the receiving HA) must administer assistance for the family if a HA with a tenant-based program has jurisdiction in the area where the unit is located. When this situation exists, the HA with jurisdiction in the area where the family wants to lease a unit must issue the family a voucher. If there is more than one such HA, the initial HA may choose the receiving HA.

G. Portability Procedures:

1. Initial PHA Responsibilities:
   a. When a family wishes to move under portability, the family **must** inform the initial PHA of the area to which the family wishes to move. In the case where the family is not currently a program participant, the initial PHA must determine if the family is income eligible in the area to which the family wishes to move. If the family is not income eligible in the area to which the family wishes to move, the PHA must inform the applicant family they may not move to the area in question and receive voucher assistance. Income eligibility is not redetermined when a participant family (a family that is already under a HAP contract) exercises portability.
   b. Contact the receiving PHA on the family's behalf. The initial PHA must promptly notify the receiving PHA to expect the incoming family (see CFR 982). This means the initial PHA contacts the receiving PHA on the family's behalf, typically by telephone, fax, or email. Simply referring the family to HUD or a website for information on the receiving PHA's address does not fulfill the responsibilities of the initial PHA under the program regulations. The initial PHA must also advise the family how to contact and request assistance from the receiving PHA (e.g., the name and telephone number of the staff person responsible for working with incoming portability families and any procedures related to appointments for voucher issuance the receiving PHA has shared with the initial PHA). The revised Form HUD-52665 now contains a line that the initial PHA uses to identify the receiving PHA to which the initial PHA is referring the family.
   c. **Completion of Part I of the Form HUD-52665**. The initial PHA completes Part I of the Form HUD-52665 and mails or faxes it to the receiving PHA, along with a copy of the family's voucher issued by the initial PHA, a current copy of Form HUD-50058, and copies of the income verification backing up the form. (Note that in the case of an applicant, the initial PHA has not completed the HUD-50058 and submitted the information to HUD because the family is not yet a new admission. However, the PHA must provide the family information and income

information to the receiving PHA in a format similar to the Form HUD-50058 so that the information is easily available for use by the receiving PHA.)

d. Part I of the form contains the date by which the initial billing notice provided by the receiving PHA must be received by the initial PHA.

Note that the initial billing deadline has changed. The initial billing submission must be received by the initial PHA no later than 90 days following the expiration date of the family voucher issued by the initial PHA.

e. If the initial PHA has not received a billing notice by the deadline, the initial PHA must contact the receiving PHA to determine the status of the family if the initial PHA intends not to honor a late billing submission. If the receiving PHA reports that the family is not yet under HAP contract, the initial PHA may inform the receiving PHA that they will not accept any subsequent billing on behalf of the family. Once the initial PHA has so notified the receiving PHA, the initial PHA is not required to honor any billing notice received after the billing deadline. If the initial PHA still subsequently receives a late billing notice on behalf of the family, it simply returns the late Form HUD-52665 to the receiving PHA, and the receiving PHA must absorb the family.

f. If the receiving PHA reports that the family is under HAP contract and it cannot absorb when the initial PHA contacts the receiving PHA to determine the status of the family, the initial PHA is required to accept the subsequent late billing. The initial PHA may contact HUD to report the receiving PHA's failure to submit the bill in accordance with these procedures. HUD may take action to address the receiving PHA's failure to do so, which may include reducing the receiving PHA's administrative fee. In addition, in such a case HUD may subsequently transfer units from the receiving PHA to the initial PHA when it is feasible, since the initial PHA was required to accept the late billing.

2. Receiving PHA Responsibilities:

a. The receiving PHA must promptly issue a voucher to the family for its search in the receiving PHA jurisdiction, the term of which may not expire before the expiration date of the initial PHA voucher. The receiving PHA may provide additional search time to the family beyond the expiration date of the initial PHA voucher, either when it initially issues its own voucher or by subsequently extending its own voucher's term. However, if the receiving PHA provides the family with search time beyond the expiration date of the initial PHA's voucher, it must inform the initial PHA of the extension and should 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 Lease Approval, execute a HAP contract, and cover the anticipated delivery time (if the PHA is not submitting the billing information by fax or email) so that it will be received by the initial PHA by the deadline date.

b. A receiving PHA should not process the family if the initial PHA voucher has already expired when it receives the paperwork from the initial PHA, but should refer the family back to the initial PHA. The initial PHA would have to decide

to extend the term of the initial PHA voucher (and the billing deadline) before the receiving PHA would process the portability move in such an instance.

c. HUD expects the receiving PHA to process the family's paperwork and issue the incoming family a voucher for its jurisdiction within two weeks of receiving the HUD-52665 and supporting documentation, provided the information is in order, the family has contacted the receiving PHA, and the family complies with the receiving PHA's procedures. For example, it is unacceptable for the receiving PHA to delay processing the family's paperwork and issuing a voucher because it wishes the family to attend a group briefing that is not scheduled for three weeks. The receiving PHA does not re-determine eligibility for a portable family that was already receiving voucher assistance and may not unduly delay the family's housing search in issuing the voucher.

d. Should the PHA wish to conduct its own background checks and/or conduct a new income reexamination on a family that has already received housing assistance payments under the initial PHA, the receiving PHA may not delay issuing the family a voucher or otherwise delay approval of a unit until such time that those processes are completed. The PHA may of course take subsequent action (e.g., recalculating the HAP payment based on updated income information; terminating the family's participation in the program due to criminal background or failing to disclose necessary information) against the family based on the results. In the case of an applicant family, the receiving PHA may delay issuing or otherwise delay approval of a unit only if the re-certification is necessary to determine income eligibility.

e. In any event, the PHA may always delay approval of the unit or issuance of the voucher if the family refuses to comply with the receiving PHA procedures (such as completing disclosure forms or certifications). In any case where the PHA is refusing to process or provide assistance under the portability procedures, the family must be given the opportunity for an informal review or hearing.

f. 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 or wishes 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 extensions of search time provided by the receiving PHA voucher are only valid for the family's search in the receiving PHA jurisdiction. Any extensions of the initial PHA voucher necessary to allow the family additional search-time to return to the initial PHA's jurisdiction or to move to another jurisdiction would be at the discretion of the initial PHA.

g. The receiving PHA may absorb the family into its own program once the HAP contract is executed on behalf of the family by the receiving PHA, assuming it has funding available under its ACC to do so and such a decision will not result in over-leasing. The receiving PHA may also absorb a portable family assisted through a billing arrangement by terminating the billing arrangement with the initial PHA. In such a case, 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.

h. To clarify any misunderstanding over the purpose and use of the absorption option, a PHA does not technically "absorb" a family into its program until the receiving PHA executes a HAP contract on behalf of the family in the receiving PHA jurisdiction. If the family is not placed under HAP contract in the receiving PHA jurisdiction, the receiving PHA cannot absorb the family.

i. **Part II of Form HUD-52665**. The receiving PHA must promptly inform the initial PHA if it intends to absorb or bill. The receiving PHA sends Part II of Form HUD-52665 to the initial PHA. If the receiving PHA decides to bill the initial PHA, the receiving PHA not only completes Part II of the Form HUD-52665, but also attaches a copy of the new Form HUD-50058 before returning it to the initial PHA. In addition to the initial billing deadline discussed above, the instructions of the Form HUD-52665 provide that the receiving PHA must complete and mail (which may include electronic mail or fax) Part II of the form within 10 working days from the date a HAP contract is executed on behalf of a family.

j. HUD is aware that in some instances receiving PHAs have submitted initial billings well after 10 working days, creating significant difficulties for initial PHAs. **The initial PHA is generally not obligated to honor initial billings that are postmarked, emailed, or faxed more than 10 working days after the date the HAP contract is executed**. (Note that it is the date the HAP contract is executed, not the effective date of the HAP contract, which is at issue. For instance, if a PHA executes a HAP contract within 60 days of the approval of the unit, the HAP contract may be retroactive to the date the unit was approved. It is the date the PHA executed the contract, not the retroactive effective date of the contract, that establishes the deadline by which the initial billing must be mailed, emailed or faxed.) The initial PHA must immediately inform the receiving PHA in writing of its decision not to accept the late billing submission. **A receiving PHA that failed to send the initial billing within 10 working days following the date the HAP contract is executed is generally required to absorb the family into its own program unless the initial PHA is willing to accept the late submission.**

HUD may in certain instances require the initial PHA to honor a billing submission that is received after the 10-day deadline (such as where the receiving PHA is over-leased and is in danger of not being able to stay under unit months available for its fiscal year). In such a case HUD may take action to address the receiving PHA's failure to submit the notification in a timely manner, which may include reducing the receiving PHA's administrative fee and subsequently transferring units from the receiving PHA to the initial PHA.

3. <u>Timing of the Initial and Subsequent Billing Payments.</u>

a. The initial PHA must pay the first billing amount due within 30 calendar days of receipt of Part II of the Form HUD-52665. Subsequently, the initial PHA must make payment each month the billing arrangement is in effect. The payment must be provided in a form and manner that the receiving PHA is able and willing to accept. Initial PHAs involved in billing arrangements must ensure that

subsequent monthly billing payments are received by the receiving PHA **no later than the fifth working day of each month.**

b. In many cases billing difficulties simply result from miscommunications that are often resolved by the PHAs without HUD intervention. HUD continues to encourage PHAs to work cooperatively to resolve billing difficulties. However, it is ultimately the responsibility of the initial PHA to make billing payments in a timely manner.

c. The program regulations at CFR 982 provide that HUD may transfer funds for assistance to portable families to the receiving PHA from funds available under the initial PHA ACC. Upon request of the receiving PHA, HUD will exercise this authority to transfer units from the initial PHA to the receiving PHA in cases where the initial PHA fails to comply with the initial and subsequent monthly billing due dates described above.

d. The initial PHA may not terminate or delay making payments under existing billing arrangements as a result of over-leasing or funding shortfalls at the initial PHA program. PHAs may only terminate HAP contracts as the result of insufficient funding in accordance with CFR 982 to which they are a party.

4. Receiving PHA: On-going Responsibilities.

a. The receiving PHA must send the initial PHA a copy of the updated Form HUD-50058 at each annual recertification 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. The purpose of this notification is to serve as an annual "reconciliation" to assist both PHAs in fulfilling their accounting and record-keeping responsibilities. Should the initial PHA fail to receive an updated Form HUD-50058 by the annual recertification date, it should contact the receiving PHA to verify the status of the family.

b. The receiving PHA is also required to send a new Form HUD-52665 along with the Form HUD-50058 to report any change in the billing amount, if applicable. 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. However, under no circumstances should the notification be later than 10 working days following the effective date of the change in the billing amount.

c. If the receiving PHA is absorbing a family for which it has been billing or if the housing assistance payments are terminated for any reason, the receiving PHA should provide adequate notice of the effective date of the absorption or termination to avoid having to return a payment. In no event should the receiving PHA fail to notify the initial PHA later than 10 working days following the effective date of the termination of the billing arrangement.

d. In the case where a family currently under a billing arrangement subsequently decides it wants to move under portability to yet another jurisdiction, the receiving PHA does not issue the family a voucher in order to do so. Instead, the receiving PHA notifies the initial PHA of the family request to port to another jurisdiction. The initial PHA is responsible for issuing the family's voucher and sending the Form HUD-52665 and supporting documentation to the new

receiving PHA. Good communication between all three PHAs is very important in such a circumstance.

5. Summary of Portability Billing Deadlines.
The following summarizes the relevant deadlines under the portability billing procedures.
   a. Submission of Initial Billing Amount (Part II of the Form HUD- 50058): Receiving PHA must submit initial billing notice (1) no later than 10 working days following the date the HAP contract was executed and (2) in time that it will be received no later than 90 days following the expiration date of the family's voucher issued by the initial PHA.
   b. Payment of First Billing Amount: Initial PHA makes payment within 30 days of receipt of Part II of the Form HUD 50058 indicating billing amount.
   c. Payment of Subsequent Billing Amounts: The initial PHA is responsible for ensuring that subsequent billing amounts are received no later than the fifth working day of each month for which the monthly billing amount is due.
   d. Notification of Change in Billing Amount or Other Action: The receiving PHA notifies the initial PHA of any change in the billing amount as soon as possible (preferably before the effective date to avoid retroactive adjustments) but in no circumstance any later than 10 working days following the effective date of the change.

XIV. Inspections of Private Landlord's Property

When the HA receives a request for tenancy approval the HA shall inspect the unit for compliance with the HUD Housing Quality Standards (HQS) (changes to HUD INSPIRE standards effective October 1, 2024). The HA's inspector will inspect the unit for compliance with HQS/INSPIRE standards and send the owner the results of the inspection. If there are defects or deficiencies which must be corrected in order for the unit to comply with HQS/NSPIRE standards, the Owner shall be advised, in writing, by the HA of the work required to be done before a Contract can be executed. The unit will be re-inspected to ascertain that the necessary work has been performed and the unit meets HQS/INSPIRE standards for occupancy.
The inspection reports will specify the defects or deficiencies which must be corrected in order for the unit to be corrected for the unit to meet HQS/INSPIRE standards. The inspection report will also reflect any other defects or deficiencies that do not cause the unit to fail, in the event of a subsequent claim by the Owner that they were caused during the period of occupancy by the Family.

XV. Inspection Standards

Before a unit can be approved for occupancy under the HCV program, the unit must meet the performance requirements set forth in 24 CFR, which are the Housing Quality Standards (HQS) (changes to HUD INSPIRE standards effective October 1, 2024).

A. HQS Inspection Areas:
The following areas are included in HQS inspections:

1. Sanitary facilities;
2. Food preparation and refuse disposal;
3. Space and security;
4. Thermal environment;
5. Illumination and electricity;
6. Structure and materials;
7. Interior air quality;
8. Water supply;
9. Defective paint surfaces (in units built prior to 1978);
10. Access;
11. Site and neighborhood;
12. Sanitary condition; and
13. Smoke Detectors.

A-1 NSPIRE Inspection Areas (effective October 1, 2024)

1. **UNIT:** A "Unit" of HUD housing refers to the interior components of an individual dwelling, where the resident lives.

2. **INSIDE:** "Inside" refers to the common areas and building systems within the building interior and are not inside a unit. This could include interior laundry facilities, workout rooms, and so on.

3. **OUTSIDE:** "Outside" refers to the building site, building exterior components, and any building systems located outside of the building or unit. This includes things like playgrounds, sidewalks, and air-conditioning units.

The HA's inspection only certifies that the unit meets HQS/INSPIRE requirements. The HA is not responsible for items not included in the HQS/NSPIRE inspection. The HA will use HUD approved inspection forms to perform HCV/NSPIRE Inspections.

B. Defective Paint Surfaces (units built prior to 1978)

1. Non-EBL Children:
When children under six years of age live in a household where the HQS/NSPIRE inspection revealed deteriorated paint surfaces, including chipping, peeling, chalking, teeth marks, or any other defects in the paint surface in excess of the limits as found in the Federal Regulations, the landlord must test and/or abate the lead-based paint hazard in accordance with the applicable federal and/or state rules and regulations. The family must be protected in accordance with the regulations.

2. EBL Children:
If a family member under six (6) years of age with an EBL is to reside in a unit built prior to 1978, the unit must be tested for lead-based paint and if found positive abated in accordance with Federal Regulations. The family must be protected in accordance with the regulations.

3. Health Department Reports:

a. Within five working days after the HA receives notification of an Environmental Intervention Blood Lead Level of 10 □g/dL (micrograms per deciliter) or more, the HA will supply to the Health Department names or addresses of identified EBL children under the age of six (6) years;
b. At least quarterly the HA shall provide a list of addresses of all HCV assisted units with children under the age of six to the Health Department (unless the Health Department declines the list);
c. At least quarterly, the HA shall request a list of all children under the age of six with an EBL. If this list is supplied, the HA shall cross check the list with the addresses of HCV participants to see if any of the children listed are in the HCV program.
d. If a match occurs that was previously unknown to the HA, the HA and the property owner must follow all requirements for units with children under the age of six (6) years old with an EBL.

C. Types of HQS/NSPIRE Inspections:

1. Initial Inspections:
Performed by the HA representative after receiving the Request for Tenancy Approval from the applicant.

2. Occupied inspections:
   a. For participants continuing to receive assistance and remaining in the same unit, a new inspection is required within 730 days of the last inspection.
   b. The PHA may inspect more frequently if they wish. See Notice PIH 2016-05, Attachment K
   c. SEMAP scores are based on compliance with at least biennial inspections.

3. Re-Inspections:
Inspections that are performed by HA staff for verifying that deficiencies noted in the previous inspection have been corrected and meet HQS/NSPIRE.

4. Re-inspection Fees
The HA will charge a $ 75.00 fee to owners for a re-inspection under two circumstances: (1) if an owner notifies the PHA that a deficiency cited in the previous inspection has been repaired and a re-inspection reveals that it has not and/or (2) if the allotted time for repairs has elapsed and a re-inspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing has not been corrected. This fee must be paid prior to the scheduling of another re-inspection.

5. Quality Control Inspections:
The supervisor or other qualified individual will re-inspect the minimum number as specified in CFR 985 to ensure that inspections are being performed in compliance with HQS/NSPIRE standards. Files will be maintained that document the quality control inspections.

6. Special Inspections:

a. These types of inspections may be necessary when a federal official visits the HA to perform a compliance review of the HA and/or the owner or tenant may request a special inspection be performed to document the condition of the unit.
b. If a family or Government official reports a life-threatening emergency the PHA must inspect the unit within 24 hours of receiving notice.
c. If the family or Government official reports a non-life-threatening condition the PHA must inspect the unit within 15 days of receiving notice.

7. Abatement Inspections:
   a. If a defect is life threatening, the Owner must correct the defect within no more than 24 hours (CFR 982.404(a)(1-4).

XVI. Rent and Rent Reasonableness

A. Negotiating Rent to Owner:
The rent to the owner is a matter of negotiation between the owner and the family. The rent must be within the guidelines of "rent reasonableness," and this rental amount must be certified by the HA as falling within the guidelines of "rent reasonableness." If requested by the family, the HA must also assist the family in negotiating a reasonable rent with the owner.

B. Rent to Owner: Reasonable Rent

1. HA determination
   a. The HA may not approve a lease until the HA determines that the initial rent to owner is a reasonable rent.
   The HA must re-determine the reasonable rent:
   (1) Before any increase in the rent to owner;
   (2) If there is a five (5%) percent decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary; or
   (3) If directed by HUD,
   (4) The HA may also re-determine the reasonable rent at any other time.

2. Comparability:
The HA must determine whether the rent to owner is a reasonable rent in comparison to rent for other comparable unassisted units.

The rent reasonableness methodology used by this HA is attached to this document as Appendix "C."

3. Owner certification of rents charged for other units:
By accepting each monthly housing assistance payment from the HA, the owner certifies that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. The owner must give the HA information

requested by the HA on rents charged by the owner for other units on the premises or elsewhere.

C. Rent to Owner: (Effect of rent control)
In addition to the rent reasonableness limit under this subpart, the amount of rent to owner also may be subject to rent control limits under State or local law.

D. Rent to Owner: (In subsidized projects).

1. Subsidized rent.
   a. The rent to owner in an insured or noninsured Section 236 project, Section 515 project of the Rural Development Administration, Section 202 project, or Section 221(d)(3) below market interest rate project is the subsidized rent.
   b. During the assisted tenancy, the rent to owner must be adjusted to follow the subsidized rent, in accordance with the lease.

2. H.O.M.E.
   For units assisted under the H.O.M.E. program, rents are subject to requirements of the HOME program.

E. Other Fees and Charges

1. The cost of meals or supportive services may not be included in the rent to owner, and the value of meals or supportive services may not be included in the calculation of reasonable rent.
2. The lease may not require the participant or family members to pay charges for meals or supportive services. Non-payment of such charges is not grounds for termination of tenancy.
3. The owner may not charge the participant extra amounts for items customarily included in rent in the locality or provided at no additional cost to unsubsidized tenants in the premises.

XVII. Lease Approval

When a family finds a unit, and the owner is willing to lease the unit under the program, the family must request the HA to approve the lease and unit.

Property Owners cannot participate in the program if they are disapproved by the HA as outlined in Section XI.

A. Notification:
If the HA determines that a unit which an Eligible Family wishes to lease meets HQS/NSPIRE, rent reasonableness and the proposed Lease is approvable, the HA shall notify the Owner and the Family of its determination of Lease approval.

The HA only reviews the landlord's standard lease to insure that HUD requirements are met.

Maximum Allowable Family Contribution: At the time a family initially receives tenant-based assistance for occupancy of a dwelling unit, and where the gross rent of the unit exceeds the applicable payment standard for the family, the family share does not exceed 40% of the family's monthly adjusted income.

B. HA Disapproval of Lease:
The HA may disapprove a lease for a rent that is not reasonable, based on rents charged for comparable rental units. HA's may exercise this authority in communities where the market is not functioning normally or where some families are not able to negotiate reasonable rent on their own. For example, where there is a concentration of ownership by a small number of landlords, or where rents charged to voucher holders are greater than rents charged to non-assisted families living in comparable units. A HA must document each case in which it disapproves a lease because the rent is not reasonable.

C. Execution of the Lease:
After receiving notification from the HA, the Owner and the voucher holder will provide an executed copy of the lease (dated on or after the lease approval) to the HA representative. The HAP Contract must be executed within 60 days of the effective date of the signed lease.

No HAP can be paid until the contract (HAP) is executed; however, once executed, payments will be retroactive to the effective date of the Lease.

If the HAP contract is not executed within 60 days the process must start from the beginning with a new request for lease approval.

D. The HA shall retain the following in its files:

1. The Request for Lease Approval;
2. The approved Lease;
3. Inspection report;
4. HA certification that the current rent being charged for comparable units in the private unassisted market, taking into account the location, size, type, quality, amenities, facilities and management and maintenance service of such unit. This certification will be maintained for three years to comply with HUD regulations and HUD inspections; and,
5. Executed Contract.

XVIII. Monthly Housing Assistance Payments (HAP)

Monthly payments will be made to an owner on behalf of a family participating in the HCV Program. Payments will be issued in accordance with the Housing Assistance Payment Contract. The checks or electronic deposits will be issued on a monthly basis and mailed/deposited directly to the participating owner by the fifth (5) working day of each month. A copy of the check/transfer will be kept and serve as a record of payment.

XIX. Security Deposit

The owner establishes the amount of the security deposit to be charged. The security deposit should be consistent with private market practice or security deposits for the owner's unassisted units subject to state law. When the participant moves out of the dwelling unit, the owner, subject to state law, may use the security deposit, including any interest on the deposit, in accordance with the lease, as reimbursement for any unpaid rent payable by the participant, damages to the unit or for other amounts the participant owes under the lease. The owner must give the participant a written list of all charges against the security deposit, and the amount of each item. The owner must refund the security deposit balance in accordance with state law.

IF THE SECURITY DEPOSIT IS NOT SUFFICIENT TO COVER AMOUNTS THE PARTICIPANT OWES UNDER THE LEASE, THE OWNER MAY SEEK TO COLLECT THE BALANCE FROM THE PARTICIPANT. THE HA IS NOT RESPONSIBLE FOR ANY DAMAGES OR OTHER MONEY THE PARTICIPANT OWES UNDER THE LEASE.

XX. Housing Assistance Payment (Calculations)

A. Payment Standard:
A payment standard is used to calculate the monthly housing assistance payment for a family.

B. Amount of assistance

1. Maximum and Minimum:
The HA must adopt a payment standard schedule that establishes payment standards for the HA voucher program. For each FMR area and for each exception rent area, the HA must establish voucher payment standard amounts by unit size (zero-bedroom, one-bedroom, and so on).

2. Formula:
   a. The housing assistance payment for a family equals the lesser of:
      (1) The applicable payment standard minus 30 percent of monthly adjusted income; or
      (2) The monthly gross rent minus the minimum rent.
   b. The minimum rent is the higher of:
      (1) 10 percent of monthly income (gross income); or
      (2) The HA's established minimum rent.

3. Calculating the HAP for a family:
The HA must use the applicable payment standard from the HA payment standard schedule for the fair market rent area (including the applicable payment standard for any HUD approved exception rent area) where the unit rented by the family is located.

C. Payment standard for family:

1. The payment standard for a family is the lower of:
   c. The payment standard for the family unit size; or

d. The payment standard for the unit size rented by the family; or
e. The gross rent for the unit.

2. If the unit rented by a family is located in an exception rent area, the HA must use the appropriate payment standard for the exception rent area.
   a. During the HAP contract term for a unit, the amount of the payment standard for a family is the higher of:
   b. The initial payment standard (at the beginning of the lease term) minus any amount by which the initial rent to owner exceeds the current rent to owner; or
   c. The payment standard as determined at the most recent regular reexamination of family income and composition effective after the beginning of the HAP contract term.

If payment standards are reduced the new payment standard does not become effective until the second reexamination for units under existing contract.

D. Distribution of Housing Assistance Payment:
The monthly housing assistance payment is distributed as follows:

1. The HA pays the owner the lesser of the housing assistance payment or the rent to owner.
2. If the housing assistance payment exceeds the rent to owner, the HA may pay the balance of the housing assistance payment either to the family or directly to the utility supplier to pay the utility bill on behalf of the family.

XXI. Determination of Rent and Re-Examinations (See admissions Section for guidance)

A. Annual Re-examination

1. Once each year, or as required by this HA, the HA must reexamine the income and family composition of all families participating the HCV Program in accordance with 24 CFR. Verifications acceptable to the HA shall be obtained and determinations made. In the event of failure or refusal of the family to report the necessary information, the HA may terminate the assistance.
2. Records shall be maintained by the HA to ensure that every participant's income and family composition has been reexamined within a twelve month period.
3. Upon completion of reexamination and verification, the participant shall be provided reasonable advanced notice (must be 30 days for increases in rent), in writing (A copy of such notification is to be retained in the participant's file.)
   a. Any change in the family's portion of rent and the date on which it becomes effective.
   b. Any change required because of a change in the composition of the family.

B. Interim Re-determination of Rent:
Rent as set at admission or annual re-examination will remain in effect for the period between regular rent determinations unless changes in family circumstances occur. The participant is required and agrees to report, in writing, the following specified changes in family income and composition within ten (10) calendar days of occurrence.

1. Loss or addition to family composition of any kind through birth, death, marriage, divorce, removal or other continuing circumstance and the amount, if any, of such family member's income. Any such additions, other than birth, must be approved by the HA in advance, and must qualify, the same as an applicant or any prospective new participant. These changes will be processed as non-interim reexaminations unless adjusted income decreases by 10 percent or more; or increases by 10 percent or more based on unearned income; or earned income if the family had a prior interim decrease.

2. Employment, unemployment or changes in income for employment of a permanent nature of the family head, spouse, or other wage earner eighteen (18) years of age or older.
3. The starting of or stopping of, or an increase or decrease of any benefits or payments received by any member of the family or household from Old Age Pension, Aid for Dependent Children, Black Lung, Railroad Retirement, Private Pension Fund, Disability Compensation, Veterans Administration, Child Support, Alimony, Regular Contributions or Gifts. Lump sum payments or retroactive payments of benefits from any of the above sources which constitute the sum of monthly payments for a preceding period paid in a lump sum must be reported and rent adjusted retroactively on such income to date of eligibility for any family member residing in the household for that period of time.
4. Decrease in family income when a family member permanently moves out of the unit. The HA will process an interim decrease unless there is no change/decrease in adjusted income as a result of the decrease in family size, then a non-interim transaction is processed instead of an interim reexamination.
5. Increase in family income following the HA granting of interim rent decrease. The HA will process an interim increase for annual **adjusted income** increases of 10 percent or more that follow interim rent reductions.
6. Increase/decreases in unearned income (e.g. COLA adjustment for social security; unemployment benefits; TANF; new social security/SSI benefits; etc.). The HA will defer the increase to the next regular reexamination unless it results in an increase in **adjusted income** of 10 percent or more.
7. Errors of omission made at admission or re-examination shall be corrected by the HA. Retroactive payments will be made to the participant if the error is in his/her favor.

If an error results in a retroactive rent payment due to the participant not providing correct information concerning annual income, the HCV participant must make repayment in accordance with the HA policy. Policy in Appendix "L". Errors resulting in an overpayment by the Family will be refunded to the participant through an increase in HAP payment(s) or directly to the participant.

C. Adjusting Rent between Regular Reexaminations

1. The HA wishes to encourage families to improve their economic circumstances, so adjusted income changes of less than 10 percent in family adjusted income between reexaminations will not result in a rent change.

2. Complete verification of the circumstances applicable to rent adjustments must be documented and approved by the HA.

3. The HA will process interim adjustments in rent as follows:

   c. Income Change:

   The HA action:

   - Decrease in family income greater than 10 percent of annual **adjusted income**, except for decrease that lasts fewer than 30-days. The HA will process an interim reduction in rent if the income decrease will last more than 30-days. Decreases in income resulting from welfare fraud or from welfare cuts for failure to comply with economic self-sufficiency requirements are not eligible for rent reductions.
   - Decrease in family income when a family member permanently moves out of the unit. The HA will process an interim decrease unless there is no change/decrease in adjusted income as a result of the decrease in family size, then a non-interim transaction is processed instead of an interim reexamination.
   - Increase in family income following the HA granting of interim rent decrease. The HA will process an interim increase for annual **adjusted income** increases of 10 percent or more that follow interim rent reductions.
   - Increase in income because a person with unearned income that increases adjusted income of the family by more than 10 percent joins the household. The HA will process an interim increase.
   - Increase in income because a person with earned income or no income joins the household. The HA will process a non-interim reexamination and inclusion of the income will be delayed until annual reexamination.
   - Increase in income from any new source that are greater than 10 percent of annual **adjusted income** and the HA previously processed an interim decrease during the certification period. The HA will process an interim increase.
   - Incremental increases in family income due to pay increases or raises from existing employment. The HA will defer the increase to the next regular reexamination unless it would result in an increase in **adjusted income** of 10 percent or more and the family has previously received an interim reduction during the same reexamination cycle.
   - Increase in unearned income (e.g. COLA adjustment for social security; unemployment benefits; TANF; new social security/SSI benefits; etc.). The HA will defer the increase to the next regular reexamination unless it would result in an increase in **adjusted income** of 10 percent or more.

   d. Resident Misrepresentation:

   - The HA will process an interim increase in rent if the resident has misrepresented or failed to report facts upon which rent is based, so the rent the resident is paying is less than it should have been. The HA will apply any

increase in rent retroactive to the month following the month in which the misrepresentation occurred, or

- Based on circumstances the HA may evict.

e. Deduction Change:
   (1) A change in family status will be deferred to the next annual reexamination unless the change would result in a 10 percent change in **adjusted income**.
   (2) A change in the number of dependents will be processed.
   (3) A change in medical expenses will be deferred to the next annual reexamination unless the change would result in a 10 percent change in **adjusted income** (see hardship exemption).
   (4) A change in childcare expenses will be deferred to the next annual reexamination unless the change would result in a 10 percent change in **adjusted income** (see hardship exemption).

D. Notice of Temporary Rent:
On occasions, the HA is required to compute rent based on information that is supplied by the participant and third-party information that has not or will not be provided by the employer. When this situation occurs, the HA will compute a temporary rent based on the information available. Once the information is verified the participant will be notified in writing. If an underpayment was made, based on the information provided, the participant will have fourteen (14) days from the date of the HA notification to pay the amount specified. If the participant has made an overpayment, that amount will be credited to his/her account, with the landlord. The head of household and spouse (if applicable) and a HA representative signs this "Notice of Temporary Rent" and it is filed appropriately with a copy provided to the participant.

E. The Effective Dates of Interim Re-determination of Rent

1. Any decrease in rent resulting from a decrease of greater than 10 percent of annual **adjusted income** or change in deductions will be made effective the first of the month following the date the decrease in family adjusted income was reported and verified in writing.
2. The participant agrees to pay any increase in rent resulting from an increase in family income the first of the second month following the date in which such increase in family income occurred, and to pay any back rent due because of failure to report such increase in family income.
   a. Any interim change in rent will require verification.
   b. Participant agrees to pay any increase in rent resulting from the implementation of changes in rent computation or increases due to changes in regulations, policies, or procedures requiring implementation by the United States Department of Housing and Urban Development.
   c. Temporary employment/unemployment or increases and decreases in wages "for any reason" of less than 30 days will not constitute a rent adjustment.
   d. If it is found that a participant has misrepresented or failed to report facts upon which rent is based so that the participant is paying less than they should be paying, the increase in rent shall be made retroactive to the date the increase

would have taken effect. The participant will be required to pay the difference between the rent paid and the amount that should have been paid. In addition, the participant may be subject to civil and criminal penalties. Misrepresentation is a serious program violation which may result in termination.

F. Minimum Rent Hardship Exemptions

1. The HA shall immediately grant an exemption from application of the minimum monthly rent to any family making a proper request in writing who is unable to pay because of financial hardship, which shall include:
   a. The family has lost eligibility for, or is awaiting an eligibility determination from a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the immigration and nationalization act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
   b. The income of the family has decreased because of changed circumstance, including loss of employment.
   c. A death in the family has occurred which affects the family circumstances.
   d. Other circumstances which may be decided by the HA on a case-by-case basis.

All of the above must be proven by the participant providing verifiable information in writing to the HA prior to the rent becoming delinquent and before the lease is terminated by the owner.

2. If a family requests a financial hardship exemption, the HA must suspend the minimum rent requirement beginning the month following the family's request for a hardship exemption until the HA determines whether there is a qualifying financial hardship, and whether such hardship is temporary or long term. The HA must promptly determine whether a qualifying hardship exists and whether it is temporary or long term. If the HA determines that a qualifying financial hardship is temporary, the HA must not impose the minimum rent during the 90-day period beginning the month following the date of the family's request for a hardship exemption. At the end of the 90-day suspension period, the HA must reinstate the minimum rent from the beginning of the suspension. The family must be offered a reasonable repayment agreement, on terms and conditions established by the HA, for back rent owed by the family.

G. Financial hardship exemption for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses

The standard deduction is the sum of the following, to the extent the sum exceeds ten percent of annual income:

- Unreimbursed health and medical care expenses of any elderly family or disabled family; and
- Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the member who is a person with a disability) to

be employed. This deduction may not exceed the combined 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.

1. Phased-in relief. This paragraph provides financial hardship relief for families affected by the statutory increase in the threshold to receive health and medical care expense and reasonable attendant care and auxiliary apparatus expense deductions from annual income (Increasing from 3 percent to 10 percent of annual Income).

   NOTE: Eligible families will begin receiving the 24-month phased-in relief at their next annual reexamination or interim reexamination, whichever occurs first after January 1, 2024. When an eligible family's phased-in relief begins at an interim reexamination, the PHA/MFH Owner will need to process another transaction one year later to move the family along to the next phase. The transaction can be either an interim reexamination if triggered, or a non-interim reexamination transaction.

   a. Eligibility for relief. To receive hardship relief under this paragraph, the family must have received a deduction from annual income because their sum of expenses exceeded 3 percent of annual income as of January 1, 2024.
   b. Form of relief.
      (1) The family will receive a deduction totaling the sum of the unreimbursed expenses defined above that exceeds 5 percent of annual income.
      (2) Twelve months after the relief in this paragraph (b)(1) is provided, the family will receive a deduction totaling the sum of unreimbursed expenses defined above that exceed 7.5 percent of annual income.
      (3) Twenty-four months after the relief in this paragraph (b)(1) is provided, the family will receive a deduction totaling the sum of unreimbursed expenses defined above that exceed ten percent of annual income and the only remaining relief that may be available to the family will be paragraph (F)(2.) of this section.
      (4) A family may request hardship relief under paragraph (F)(2) of this section prior to the end of the twenty-four-month transition period. If a family making such a request is determined eligible for hardship relief under paragraph (F)(2) of this section, hardship relief under this paragraph ends and the family's hardship relief shall be administered in accordance with paragraph (F)(2) of this section. Once a family chooses to obtain relief under paragraph (F)(2) of this section, a family may no longer receive relief under this paragraph.

2. General. This paragraph (F)(2) provides financial relief for an elderly or disabled family or a family that includes a person with disabilities that is experiencing a financial hardship.
   a. Eligibility for relief.
      (1) To receive hardship relief under this paragraph (F)(2), a family must demonstrate that the family's applicable health and medical care expenses or reasonable attendant care and auxiliary apparatus expenses increased, or the family's financial hardship is a result of a change in circumstances (See examples below) that would not otherwise trigger an interim reexamination.

Examples under which residents would qualify for the hardship exemption relief would be limited to the following:

- The inability of the family to pay the rent is generally considered an increase in rent of more than 10 percent directly attributable to the increased deductible above 3 percent.
- The family no longer receives reimbursement for health and medical care expenses previously reimbursed resulting in an increase in rent of more than 10 percent.
- The family would be evicted as result of the imposition of the medical deduction decrease.
- A death in the family has occurred resulting in a decrease in health and medical care expenses that is not offset by a decrease in income resulting in at least a 10 percent increase in rent; or
- Other circumstances as determined by the HA

3. Relief under this paragraph is available regardless of whether the family previously received deductions under paragraph (a)(3) of this section, is currently receiving relief under paragraph (F)(1)(b) of this section, or previously received relief under paragraph (F)(1)(b) of this section.
   a. Form and duration of relief.
      (1) The family will receive a deduction for the sum of the eligible expenses that exceeds 5 percent of annual income.
      (2) The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier.

H. Exemption to continue childcare expense deduction.

A family whose eligibility for the childcare expense deduction is ending may request a financial hardship exemption to continue the childcare expense deduction. The Housing Authority will recalculate the family's adjusted income and continue the childcare deduction if the family demonstrates to the Housing Authority's satisfaction that the family is unable to pay their rent because of loss of the childcare expense deduction, and the childcare expense is still necessary even though the family member is no longer employed or furthering his or her education. The hardship exemption and the resulting alternative adjusted income calculation will remain in place for a period of up to 90 days.

Requirements under which residents would qualify for the hardship exemption relief under (H) would be limited to the following:

- The Family must document the necessity for continued childcare such as to maintain a spot(s) with the childcare agency for:
  - Seasonal employment which is expected to resume within 90 days.
  - Serious medical condition expected to last 90 days or less.
- The family must show an inability to pay rent generally considered an increase in rent of more than 10 percent directly attributable to the loss of the childcare deduction.

- The family would be evicted as result of the loss of the childcare deduction.
- A death in the family has occurred resulting in a temporary need (90 days or less) to continue childcare expenses.
- Other circumstances as determined by the HA.

The Housing Authority will promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from the approval of a hardship exemption. The notice will include when the hardship exemption begins and expires.

I. Reduction of Welfare Benefits:
If the HCV participant requests an income re-examination and the rent reduction is predicated on a reduction in participant income from welfare, the request will be denied, but only after obtaining written verification from the welfare agency that the family's benefits have been reduced because of:

- Noncompliance with economic self-sufficiency program or;
- Work activities requirements or;
- Because of fraud.

J. Exception to Rent Reductions:
Families whose welfare assistance is reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or comply with a work activities requirement will not affect their HCV tenant-based assistance.

K. Family Share: (Family responsibility)

1. The family share is calculated by subtracting the amount of the housing assistance payment from the gross rent.
2. The HA may not use housing assistance payments or other program funds (including any administrative fee reserve) to pay any part of the family share. Payment of the family share is the responsibility of the family.

L. Family Income and Composition: (Regular and interim examinations)

1. <u>HA responsibility for reexamination and verification:</u>
   a. The HA must obtain and document in the participant file third party The HA's responsibilities for reexamining family income and composition are specified in 24 CFR.
   b. Verification of the following factors, or must document in the participant file why third-party verification was not available:
      (1) Reported family annual income;
      (2) The value of assets;
      (3) Expenses related to deductions from annual income; and
      (4) Other factors that affect the determination of adjusted income.
2. <u>When HA conducts interim reexamination</u>

a. At any time, the HA may conduct an interim reexamination of family income and composition.
b. At any time, the family may request an interim determination of family income or composition because of any changes since the last determination. The HA must make the interim determination within a reasonable time after the family request.

3. Family Income Includes:
Income of all family members, including family members not related by blood or marriage. If any new family member is added, family income must include any income of the additional family member. The HA must conduct a reexamination to determine such additional income and must make appropriate adjustments in the housing assistance payment and family unit size.

XXII. Termination of Assistance

A. Reasons for Termination:

1. Owes rent, other amounts, or judgments to any HA or any other federally subsidized housing program, the applicant will be declared ineligible. At the HA's discretion, the applicant may be declared eligible upon payment of the debt, with the date and time of application being the time of payment and meeting other criteria.
2. The family, including each family member, must not:
   a. Have violated any Family obligation listed on the voucher.
   b. Engage in drug-related criminal activity or violent criminal activity, including criminal activity by the Family member, 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. (Reference 24 CFR 982).
   c. Breach a repayment agreement to the HA and/or owner.
   d. Commit acts which would constitute fraud.
   e. Fail to provide information required within the time frame specified (the applicable dates are contained in the letters from the HA to the applicant) during the reexamination process.
3. The HA shall terminate assistance of a family, if the participant, or any member of the participant's family does not sign and submit consent forms that are provided by the HA for verifying employment and income information.
4. The participant family must have properly completed all application requirements, including verifications. Misrepresentation of income, family composition, or any other information affecting continued eligibility may result in the family being declared ineligible and assistance may be terminated for such misrepresentation.
5. The participant and all adults must sign a release allowing the HA to request a copy of a police report from the National Crime Information Center, Police Department or other Law Enforcement Agencies. The participant and all adults further agree to provide fingerprints if requested. If the HA uses the information to terminate assistance the HA must provide a copy of the information used upon proper request.

6. If the HA determines that a person is illegally using a controlled substance or abuses alcohol in a way that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. The HA may waive this requirement if:
   a. The person demonstrates to the HA's satisfaction that the person is no longer engaging in drug-related criminal activity or abuse of alcohol;
   b. Has successfully completed a supervised drug or alcohol rehabilitation program;
   c. Has otherwise been rehabilitated successfully; or
   d. Is participating in a supervised drug or alcohol rehabilitation program.
7. If any household includes an individual who is subject to a lifetime registration requirement under a state sex offender registration program.

B. Notification of Termination:
If a participant is terminated, the HA will notify the participant, in writing, of its determination and inform them that they have an opportunity for an informal review on such determination. The denial letter will allow the participant ten (10) calendar days to request an informal review (verbal and/or in writing) with the HA. (Section XXXIX). The HA will send a 30-day notice to the landlord in writing of participant(s) termination. This will serve as notice of the last HAP payment from the HA for the participant(s).

XXIII. Termination of Assistance Due to Lack of Adequate Funding

A. Background
HA's are prohibited from assisting families over either its annual baseline number of Housing Choice Vouchers per its approved Annual Contributions Contract (ACC) with HUD or its Housing Assistance Payments (HAP) Budget Authority from HUD. In the event that the HA's HAP Budget Authority will no longer support the number of families currently participating in the program, HA shall determine the number of families that must be terminated from assistance due to the lack of adequate funding from HUD.

B. Excluded Families
A Family in any of the following categories shall be excluded to the extent possible, from any termination of assistance due to lack of funding from HUD:

1. Elderly Family,
2. Disabled Family, or
3. Any Family that is under an agreement in the Homeownership program.

C. Options to Address Insufficient Funding

1. Terminate HAP contracts - HA may terminate HAP contracts based on one of the following Options:

THE HA SHALL SELECT OF THE FOLLOWING AS THE HA CHOICE.

☒	Option 1	Terminate HAP contracts for non-disabled, non-elderly and non-homeownership families who the Authority pays a housing assistance

		payment on their behalf of $100.00 or less. The order of contract termination will be to families receiving the least amount in HAP assistance first until the shortfall is covered to the satisfaction of the Authority. If these terminations are not sufficient the HA will go to. ☒ Option 2, ☐ Option 3, ☐ Option 4 or ☐ Option 5 until the shortfall in funding is covered.
☐	Option 2	Terminate HAP contracts for non-disabled, non-elderly and non-homeownership households that have been on the program the longest. HA shall terminate a family based upon their date of admittance to the program. For this purpose, HA shall consider the family's original lease date under HA's Housing Choice Voucher Program to be their date of admittance to the HCVP. The family that was first admitted to the program, according to their original lease date, shall be the first to have assistance terminated due to the lack of adequate funding from HUD. First, to be terminated will be households consisting of single individuals. Second, to be terminated will be households consisting of multiple family members without dependents under the age of eighteen. Finally, after the terminations above have been made and HA determines that additional cuts have to be made, then families with dependents under the age of eighteen will be terminated on a first in-first out method described above. Terminations shall be made until HA determines a sufficient number of families have been terminated to allow HA to have sufficient funding to support families in the program. Priority status shall be determined as of the date of the Executive Director certifies that insufficient funding exists. HUD approval is required prior to termination of any contracts for insufficient funding.
☐	Option 3	Terminate HAP contracts for non-disabled, non-elderly and non-homeownership households that have been on the program the shortest. HA shall terminate a family based upon their date of admittance to the program. For this purpose, HA shall consider the family's original lease date under HA's Housing Choice Voucher Program to be their date of admittance to the HCVP. The family that was last admitted to the program, according to their original lease date, shall be the first to have assistance terminated due to the lack of adequate funding from HUD. First, to be terminated will be households consisting of single individuals. Second, to be terminated will be households consisting of multiple family members without dependents under the age of eighteen. Finally, after the terminations above have been made and HA determines that additional cuts have to be made, then families with dependents under the age of eighteen will be terminated on a last in-first out method described above. Terminations shall be made until HA determines a sufficient number of families have been terminated to allow HA to have sufficient funding to support families in the program. Priority status shall be determined as of the date of the Executive Director certifies that insufficient funding exists. HUD approval is required prior to termination of any contracts for insufficient funding.
☐	Option 4	Terminate all non-disabled, non-elderly and non-homeownership households for one month and reinstate those terminated the next month. (Terminate all non-disabled, non-elderly and non-homeownership households for one month in the order stated in ☐ Option 1, ☐ Option 2, ☐ Option 3, or ☐ Option 5 until the shortfall in funding is covered.)
☐	Option 5	Terminate all non-disabled, non-elderly and non-homeownership households by lottery

☐	Option 6	Other

2. Resumption of Terminated Subsidies

☐	Option A 1st off 1st on	HA will automatically add terminated families to the top of the waiting list according to their termination date. If more than one family is terminated on the same, the family with the lowest income will be reinstated first. The families will be added regardless of whether the waiting list is open or closed. If and when subsidy is restored, HA will issue vouchers to the terminated families (must be income eligible at time of re-admission) before issuing to non-terminated families on the waiting list.
☐	Option B Last off 1st on	HA will automatically add terminated families to the top of the waiting list according to their termination date in reverse order. If more than one family is terminated on the same, the family with the lowest income will be reinstated first. The families will be added regardless of whether the waiting list is open or closed. If and when subsidy is restored, HA will issue vouchers to the terminated families in reverse order according to their termination date (must be income eligible at time of re-admission) before issuing to non-terminated families on the waiting list.

XXIV. Establishing Payment Standards

A. Fair Market Rents (FMRs):
FMRs are published by HUD. The FMR/exception rent limit is used to determine the payment standards.

B. Payment Standard:
The payment standard must be between 90% and 110% of the FMR/exception rent limit and is the maximum subsidy for a family. However, HUD may approve an exception rent limit of less than 90% percent of the current FMR.

C. The HA may approve a payment standard of not more than 120 percent of the FMR without HUD approval if requested as a reasonable accommodation by a family that includes a person with a disability.

XXV. AFFORDABILITY ADJUSTMENTS to PAYMENT STANDARDS

The HA, in its discretion, may adopt annual increases of payment standards amounts on the payment standard schedule so that families can continue to afford to lease units with assistance. In determining when an adjustment to the payment is necessary the HA will consider,

- The financial utilization of funding provided and the number of families that can be served.
- Rent burden (number of families paying more than 30% of income for rent, if more than 20 %, the HA may adjust the payment standard),
- Success rate in leasing (if less than 60% the HA may adjust the payment standard) and

- Percentage of FMR (if payment standard is not within 10% of the FMR, either higher or lower, the HA must adjust the payment standard).

XXVI. UTILITY ALLOWANCES

A. Utility Allowance Schedule

1. Maintaining schedule:
   a. The HA must maintain a utility allowance schedule for all participant paid utilities (except telephone), for cost of participant supplied refrigerators and ranges, and for other participant paid housing services (e.g., trash collection, disposal of waste, and refuse).
   b. The HA must give HUD a copy of the utility allowance schedule. At HUD's request, the HA also must provide any information or procedures used in preparation of the schedule.

2. How allowances are determined
   a. 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 HA must use normal patterns of consumption for the community as a whole and current utility rates.
   b. The HA's utility allowance schedule, and the utility allowance for an individual family, must include the utilities and services that are necessary in the locality to provide housing that complies with the housing quality standards. However, the HA may not provide any allowance for non-essential utility costs, such as costs of cable or satellite television.
   c. In the utility allowance schedule, the HA must classify utilities and other housing services according to the following general categories: space heating; air conditioning; cooking; water heating; water; sewer; trash collection (disposal of waste and refuse); other electric; refrigerator (cost of participant supplied refrigerator); range (cost of participant supplied range); and other specified housing services. The HA must provide a utility allowance for participant paid air conditioning costs if the majority of housing units in the market provide centrally air-conditioned units or there is appropriate wiring for participant installed air conditioners.
   d. The cost of each utility and housing service category must be stated separately. For each of these categories, the utility allowance schedule must take into consideration unit size (by number of bedrooms), and unit types (e.g., apartment, row house, town house, single-family detached, and manufactured housing) that are typical in the community.
   e. The utility allowance schedule must be prepared and submitted in accordance with HUD requirements on the form prescribed by HUD.

3. Revisions of utility allowance schedule.
   a. An HA must review its schedule of utility allowances each year, and must revise its allowance for a utility category if there has been a change of 10% or more in

the utility rate since the last time the utility allowance schedule was revised. The HA must maintain information supporting its annual review of utility allowances and any revisions made in its utility allowance schedule.

b. At HUD's direction, the HA must revise the utility allowance schedule to correct any errors, or as necessary to update the schedule.

4. Use of utility allowance schedule

The utility allowance for a family is the lower of:

a. The utility allowance for the family unit size; or
b. The utility allowance for the unit size rented by the family
c. At reexamination, the HA must use the HA current utility allowance schedule.

5. Reasonable accommodation:

On request from a family that includes a person with disabilities, the HA must approve a utility allowance which is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

XXVII. Adjustment to Contract Rents

A. Contract Rents:

The rent to owner may not be increased during the first year of the lease. The lease may provide that the owner may increase the rent at any time after the first anniversary of the lease, but the owner must give the tenant and the HA 60 day's written notice of any increase before it takes effect.

The owner may increase the family's rent at any time after the initial term of the lease, subject to the HA's approval based on rent reasonableness, with a 60 days written notice to the family and the HA.

B. Overall Limitation of Adjustments:

Notwithstanding any other provisions of this part, adjustments as provided for in this section shall not result in material differences between the rents charged for assisted and comparable unassisted units (rent reasonableness).

XXVIII. Absence from the Assisted Unit

Absence means that no member of the family is residing in the unit. Families participating in the program may be absent for a period of 14 calendar days without notifying the HA (see voucher, obligations of the family). If the family anticipates being absent for more than 14 consecutive calendars days, the Head of Household must request written permission from the HA prior to leaving the assisted unit. The HA my approve absences in excess of 14 consecutive calendar days for vacation, hospitalization or other good cause as presented to the HA by head of household. The HA will respond in writing within 10 calendar days of the receipt of the request for approved absence. The HA will not approve any request for absence for a period of more than 180 consecutive calendar days in any circumstance, or for any reason.

If emergencies exist, such as hospitalization, the head of household must notify the HA by telephone as soon as possible and request a determination via the telephone. Verbal request for determination may only be made in emergencies. The HA will respond verbally and follow-up its verbal determination in writing within ten calendar days of the verbal request.

XXIX. Continued Assistance after Family Break-Up

The HA shall determine which family members will continue to receive assistance after a documented family break-up. The head of household, spouse or any adult member of the household must notify the HA that there has been a family break-up and continued assistance is being requested. The assisted family member making the request must submit the request in writing to the HA and request a determination. The request must be made within 10 calendar days of the break-up. The HA will consider the following factors in making this determination:

1. Assisted Unit: Whether the assistance should remain with family members remaining in the original assisted unit.
2. Interest of Family Members: The interest of minor children or of ill, elderly, or disabled family members.
3. Physical Violence: Whether family members are forced to leave the unit because of actual or threatened physical violence against family members by a spouse or other member of the household.

The HA will issue a determination within 10 calendar days of receipt of the request for a determination. The person requesting the determination may request an Informal Hearing in accordance with the HA established procedures if they disagree with the determination of the HA.

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

XXX. Termination of Tenancy by Owner

A. Reasons for Termination:
The Owner shall not terminate the tenancy of the Family except for:

1. Serious or repeated violation of the terms and conditions of the Lease;
2. Criminal Activity by the participant, any member of the household, a guest, or another person under the participant's control shall be cause for termination of tenancy. Criminal activity is defined as, criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or by persons residing in the immediate vicinity of the premises.

3. Violation of Federal, State or local law that imposes obligations on the participant in connection with the occupancy or use of the premises; or
4. Other good cause, which may include, but not be limited to: failure by the family to accept the offer of a new lease or revision; a family history of disturbance of neighbors or destruction of property, or of living or housekeeping habits resulting in damage to the unit or premises; the owner's desire to use the unit for personal or family use, or for a purpose other than as a residential rental unit; or a business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, desire to lease the unit at a higher rental). If the owner terminates the tenancy for a business or economic reason the owner must provide the tenant with a 90-day notice.
5. The Property Owner shall comply with all provisions of the Violence Against Women Act (VAWA) and shall not discriminate against any person who is protected by said Act.

B. Eviction by Court Action:
The Owner may evict the Family from the Contract unit only by instituting a court action. The Owner must notify the HA, in writing, of the commencement of procedures for termination of tenancy, at the same time that the Owner gives notice to the Family under State law.

C. Written Notice:
Owners must provide written notice of not less than 90 days before termination of a tenant-based housing assistance payment (HAP) contract and not less than 1 year before termination of a project-based HAP contract because of an owner opt-out or expiration of the HAP contract. Copies of these notices must be provided to the HA.

D. Termination during Initial Term of the Lease:
The owner may not terminate the tenancy for "other good cause", unless the owner is terminating the tenancy because of something the family did or failed to do. For example, during this period, the owner may not terminate the tenancy for "other good cause", based on any of the following grounds: 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; or a business or economic reason for termination of tenancy (See above).

XXXI. Termination of Housing Assistance Payment (Hap) Contract

A. When the Unit is too Big or too Small:
If the HA determines that a unit does not meet the HQS space standards because of an increase in family size or a change in family composition, the HA must issue the family a new voucher, and the family and HA must try to find an acceptable unit as soon as possible.

B. Breach of Contract:
Termination of HAP contract for owner breach of contract. Breaches of the contract are outlined in the contract.

C. Automatic Termination of HAP Contract:
The HAP contract terminates automatically 180 calendar days after the last housing assistance payment to the owner.

XXXII. Program Management Plan - Organization Plan

A. Executive Director:
Responsible for all aspects of the HCV Programs: The Assistant Executive Director/Comptroller is the supervisor of the HCV Coordinator.

B. HCV Coordinator:
The HCV Coordinator is responsible for the day-to-day operations of the HCV Programs. Some of the major duties are: takes applications, signs vouchers, handles public relations with concerned agencies and landlords, performs inspections (including the 5 percent supervisory inspections), performs certifications and re-certifications of participants, and prepares various HCV reports.

C. Finance Department:
Issues all HCV checks and prepares all HCV Financial Reports.

D. HCV Specialist:
The HCV Specialist serves as the backup for the HCV Coordinator and performs a portion of the duties of the HCV Coordinator as needed.

E. Inspector/HCV Specialist:
Various HA staff perform HCV Inspections for the HCV program and under the direction and training of the HCV Coordinator.

F. Quality Control Compliance Officer:
Will perform the SEMAP Certification in accordance with the HA Standard Operation Procedures for the HCV Program.

XXXIII. HUD Review of Contract Compliance

HUD will review program operations at such intervals as it deems necessary to ensure that the owner and the HA are in full compliance with the terms and conditions of the contract and the ACC. Equal opportunity review may be conducted with the scheduled HUD review or at any time deemed appropriate by HUD.

XXXIV. Administrative Fee Reserve Expenditures

Expenditures from the administrative fee reserve of the HCV programs in excess of $ 5,000.00 will be approved by the board of commissioners of the HA.

XXXV. Special Housing Types

The PHA must select one of the following

☒	This Housing Authority has elected not to permit use of any of SRO's, Congregate housing, Group homes, Shared housing and Cooperative housing types in its program unless a special housing type is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities in accordance with 24 CFR part 8
☐	This Housing Authority has elected to permit the use of Special Housing Types as below:

A. Overview:

1. Special housing types:
   This subpart describes program requirements for special housing types. The following are the special housing types:
   a. Single room occupancy (SRO) housing;
   b. Congregate housing;
   c. Group home;
   d. Shared housing;
   e. Cooperative (including mutual housing);
   f. Manufactured home.

2. HA choice to offer special housing type:
   a. The HA may permit a family to use any of the following special housing types in accordance with requirements of the program: single room occupancy housing, congregate housing, group home, shared housing, or cooperative housing.
   b. In general, the HA is not required to permit use of any of these special housing types in its program.
   c. The HA must 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 in accordance with 24 CFR part8.
   d. For occupancy of a manufactured home, see Sec. 982.620(a).

3. Family choice of housing and housing type:
   The HA may not set aside program funding for special housing types, or for a specific special housing type. The family chooses whether to rent housing that qualifies as a special housing type under this subpart, or as any specific special housing type, or to rent other eligible housing in accordance with requirements of the program. The HA may not restrict the family's freedom to choose among available units in accordance with Sec. 982.353.

4. Applicability of requirements:
   Except as modified by this subpart, requirements in the other subparts of this part apply to the special housing types. Provisions in this subpart only apply to a specific special housing type. The housing type is noted in the title of each section.

B. Single Room Occupancy (SRO):

1. SRO: General. Sec. 982.602

a. Who may reside in an SRO. A single person may reside in an SRO housing unit.
b. When may a person rent an SRO housing unit. A single person may rent a unit in SRO housing only if:
(1) HUD determines there is significant demand for SRO units in the area;
(2) The HA and the unit of general local government approve providing assistance for SRO housing under the program; and (3) The unit of general local government and the HA certify to HUD that the property meets applicable local health and safety standards for SRO housing.

2. SRO: Lease and HAP contract. Sec. 982.603
For SRO housing, there is a separate lease and HAP contract for each assisted person.

3. SRO: Rent and housing assistance payment. Sec. 982.604
a. Payment standard: The HA must adopt a payment standard for persons who occupy SRO housing with assistance under the voucher program. The SRO payment standard may not exceed the FMR/exception rent limit for SRO housing. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.
b. Utility allowance: The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero-bedroom utility allowance.

4. SRO: Housing quality standards. Sec. 982.605
a. HQS standards for SRO: The HQS in Sec. 982.401 apply to SRO housing. However, the standards in this section apply in place of Sec. 982.401. (Sanitary facilities), Sec. 982.401(c) (food preparation and refuse disposal), and Sec. 982.401(d) (space and security): Since the SRO units will not house children, the housing quality standards in Sec. 982.401(j), concerning lead-based paint, do not apply to SRO housing.
b. Performance requirements:
(1) SRO housing is subject to the additional performance requirements in this paragraph (b).
(2) Sanitary facilities and space and security characteristics must meet local code standards for SRO housing. In the absence of applicable local code standards for SRO housing, the following standards apply:
(a) Sanitary facilities.

i. At least one flush toilet that can be used in privacy, lavatory basin, and bathtub or shower, in proper operating condition, must be supplied for each six persons or fewer residing in the SRO housing.

ii. If SRO units are leased only to males, flush urinals may be substituted for not more than one-half the required number of flush toilets. However, there must be at least one flush toilet in the building.

iii. Every lavatory basin and bathtub or shower must be supplied at all times with an adequate quantity of hot and cold running water.

iv. All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.

v. Sanitary facilities must be reasonably accessible from a common hall or passageway to all persons sharing them. These facilities may not be located more than one floor above or below the SRO unit. Sanitary facilities may not be located below grade unless the SRO units are located on that level.

(b) Space and security:

vi. No more than one person may reside in-an SRO unit.

vii. An SRO unit must contain at least one hundred ten square feet of floor space.

viii. An SRO unit must contain at least four-square feet of closet space for each resident (with an unobstructed height of at least five feet). If there is less closet space, space equal to the amount of the deficiency must be subtracted from the area of the habitable room space when determining the amount of floor space [[Page 23866]] in the SRO unit. The SRO unit must contain at least one hundred ten square feet of remaining floor space after subtracting the amount of the deficiency in minimum closet space.

ix. Exterior doors and windows accessible from outside an SRO unit must be lockable.

c. Access:

(1) Access doors to an SRO unit must have locks for privacy in proper operating condition.

(2) An SRO unit must have immediate access to two or more approved means of exit, appropriately marked, leading to safe and open space at ground level, and any means of exit required by State and local law.

(3) The resident must be able to access an SRO unit without passing through any other unit.

d. Sprinkler system: A sprinkler system that protects all major spaces, hard wired smoke detectors, and such other fire and safety improvements as State or local law may require must be installed in each building. The term "major spaces" means hallways, large common areas, and other areas specified in local fire, building, or safety codes.

C. Congregate Housing

1. Who May Reside in Congregate Housing Sec. 982.606

An elderly person or a person with disabilities may reside in a congregate housing unit.

(a) If approved by the HA, a family member or live-in aide may reside with the elderly person or person with disabilities.

(b) The HA 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 in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by a live-in aide.

2. Lease and HAP Contract Sec. 982.607

For congregate housing, there is a separate lease and HAP contract for each assisted family.

3. Rent and housing assistance payment; FMR/exception rent limit Sec. 982.608

a. Unless there is a live-in aide:

(1) The FMR/exception rent limit for a family that resides in a congregate housing unit is the zero-bedroom FMR/exception rent limit.

(2) However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the FMR/exception rent limit for a family that resides in a congregate housing unit is the one-bedroom FMR/exception rent limit.

b. If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

4. Housing quality standards Sec. 982.609

a. HQS standards for congregate housing. The HQS in Sec. 982.401apply to congregate housing. However, the standards in this section apply in place of Sec. 982.401(c) (food preparation and refuse disposal). Congregate housing is not subject to the HQS acceptability requirement in Sec. 982.401(d)(2)(i) that the dwelling unit must have a kitchen area.

b. Food preparation and refuse disposal: Additional performance requirements. The following additional performance requirements apply to congregate housing:

(1) The unit must contain a refrigerator of appropriate size.

(2) There must be central kitchen and dining facilities on the premises. These facilities:

(a) Must be located within the premises, and accessible to the residents;

(b) Must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner;

(c) Must be used to provide a food service that is provided for the residents and that is not provided by the residents; and

(d) Must be for the primary use of residents of the congregate units and be sufficient in size to accommodate the residents.

(3) There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where necessary.

D. Group Home

1. Who may reside in a group home Sec. 982.610
   a. An elderly person or a person with disabilities may reside in a State-approved group home.
   b. If approved by the HA, a live-in aide may reside with a person with disabilities.

The HA 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 in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by a live-in aide.

   c. Except for a live-in aide, all residents of a group home, whether assisted or unassisted, must be elderly persons or persons with disabilities.
   d. Persons residing in a group home must not require continual medical or nursing care.
   e. Persons who are not assisted under the tenant-based program may reside in a group home.
   f. No more than 12 persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

2. Lease and HAP contract Sec. 982.611
   For assistance in a group home, there is a separate HAP contract and lease for each assisted person.

3. State approval of group home Sec. 982.612
   A group home must be licensed, certified, or otherwise approved in writing by the State (e.g., Department of Human Resources, Mental Health, Retardation, or Social Services) as a group home for elderly persons or persons with disabilities.

4. Rent and housing assistance payment Sec. 982.613
   a. Meaning of pro-rata portion: For a group home, the term "pro-rata portion," means the ratio derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any HA-approved live-in aide.
   b. Rent to owner: Reasonable rent limit.
      (1) The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.
      (2) The reasonable rent for a group home is determined in accordance with Sec. 982.503. In determining reasonable rent for the group home, the HA must consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private facilities.
   c. Maximum Subsidy:
      (1) Family unit size.

(a) Unless there is a live-in aide, the family unit size is zero or one bedroom.
(b) If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

(2) Voucher tenancy: The payment standard for a person who resides in a group home is the lower of:
(a) The payment standard for the family unit size; or
(b) The pro-rata portion of the payment standard for the group home size.

(3) Over-FMR tenancy: Payment standard. For an over-FMR tenancy, the payment standard for a person who resides in a group home is the lower of:
(a) The FMR/exception rent limit for the family unit size; or
(b) The pro-rata portion of the FMR/exception rent limit for the group home size.

5. Utility allowance:
The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size.

6. Housing quality standards Sec. 982.614(Will convert to NSPIRE effective October 1, 2024)
a. Compliance with HQS/NSPIRE: The HA may not give approval to reside in a group home unless the unit, including the portion of the unit available for use by the assisted person under the lease, meets the housing quality/NSPIRE standards.

E. Shared Housing

1. Shared housing: Occupancy
a. Sharing a unit: An assisted family may reside in shared housing. In shared housing, an assisted family shares a unit with the other resident or residents of the unit. The unit may be a house or an apartment.
b. Who may share a dwelling unit with assisted family.
(1) If approved by the HA, a live-in aide may reside with the family to care for a person with disabilities. The HA 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 in accordance with 24 CFR part 8. .
(2) The persons who are assisted under the tenant-based program, or other persons who are not assisted under the tenant-based program, may reside in a shared housing unit.
(3) The owner of a shared housing unit may reside in the unit. A resident owner may enter into a HAP contract with the HA. However, housing assistance may not be paid on behalf of an owner. An assisted person may not be related by blood or marriage to a resident owner.

2. Lease and HAP contract
For assistance in a shared housing unit, there is a separate HAP contract and lease for each assisted family.

3. Rent and housing assistance payment
a. Meaning of pro-rata portion: For shared housing, the term "pro-rata portion," means the ratio derived by dividing the number of bedrooms in the private space

available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five-bedroom unit, the ratio would be 3/5.

b. Rent to owner: Reasonable rent.
   (1) The rent to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit.
   (2) The reasonable rent is determined in accordance with attached procedures.

c. Maximum subsidy:
   (1) Voucher Tenancy: The payment standard is the lower of:
      (a) The payment standard for the family unit size; or
      (b) The pro-rata portion of the payment standard for the shared housing unit size.
   (2) Live-in aide. If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

d. Utility allowance: The utility allowance for an assisted family residing in shared housing is the pro-rata portion of the utility allowance for the shared housing unit.

4. Housing quality standards Sec. 982.618 (NSPIRE effective October 1, 2024)
   a. Compliance with HQS/NSPIRE: The HA 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.

F. Cooperative Housing.

1. When cooperative housing may be used:
   A family may reside in cooperative housing if the HA determines that:
   a. Assistance under the program will help maintain affordability of the cooperative unit for low-income families; and
   b. The cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

2. Rent to owner.
   a. The reasonable rent for a cooperative unit is determined in accordance with Sec. 982.503. For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative.
   b. The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. The carrying charge includes the member's share of the cooperative debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose.
   c. Gross rent is the carrying charge plus any utility allowance.
   d. The occupancy agreement/lease and other appropriate documents must provide that the monthly carrying charge is subject to HCV limitations on rent to owner.

3. Housing assistance payment:
The amount of the housing assistance payment is determined in accordance with subpart K of this part.

4. Live-in aide:
   a. If approved by the HA, a live-in aide may reside with the family to care for a person with disabilities. The HA 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 in accordance with 24 CFR part 8. See Sec. 982.316 concerning occupancy by a live-in aide.
   b. If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

G. Manufactured Home

1. Applicability of requirements
   a. Assistance for resident of manufactured home:
      (1) A family may reside in a manufactured home with assistance under the program.
      (2) The HA must permit a family to lease a manufactured home and space with assistance under the program.
      (3) The HA may provide assistance for a family that owns the manufactured home and leases only the space. The HA is not required to provide such assistance under the program.
   b. Applicability:
      (1) The HQS/NSPIRE in always apply when assistance is provided to a family occupying a manufactured home (under paragraph (a) (2) or (a) (3) of this section).
      (2) Sections 982.622 to 982.624 only apply when assistance is provided to a manufactured homeowner to lease a manufactured home space.
   c. Live-in aide:
      (1) If approved by the HA, a live-in aide may reside with the family to care for a person with disabilities. The HA 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 in accordance with 24 CFR part 8.
      (2) If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

2. Housing quality standards (NSPIRE effective October 1, 2024)
A manufactured home must meet all the HQS performance requirements and acceptability criteria. A manufactured home also must meet the following requirements:
   a. Performance requirement: 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.
   b. Acceptability criteria: A manufactured 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 wind overturning and sliding.

3. Space Rental: Rent to owner Sec. 982.622

a. What is included:
   (1) Rent to owner for rental of a manufactured home space includes payment for maintenance and services that the owner must provide to the participant under the lease for the space.
   (2) Rent to owner does not include the costs of utilities and trash collection for the manufactured home. However, the owner may charge the family a separate fee for the cost of utilities or trash collection provided by the owner.

b. Reasonable rent.
   (1) During the assisted tenancy, the rent to owner for the manufactured home space may not exceed a reasonable rent as determined in accordance with this section. Section 982.503 is not applicable.
   (2) The HA may not approve a lease for a manufactured home space until the HA determines that the initial rent to owner for the space is a reasonable rent. At least annually during the assisted tenancy, the HA must redetermine that the current rent to owner is a reasonable rent.
   (3) The HA must determine whether the rent to owner for the manufactured home space is a reasonable rent in comparison to rent for other comparable manufactured home spaces. To make this determination, the HA must consider the location and size of the space, and any services and maintenance to be provided by the owner in accordance with the lease (without a fee in addition to the rent).
   (4) By accepting each monthly housing assistance payment from the HA, the owner of the manufactured home space certifies that the rent to owner for the space is not more than rent charged by the owner for unassisted rental of comparable spaces in the same manufactured home park or elsewhere. The owner must give the HA information, as requested by the HA, on rents charged by the owner for other manufactured home spaces.

4. Space rental: Housing assistance payment Sec. 982.623
   a. Fair market rent: The FMR for a manufactured home space is determined in accordance with 24 CFR 888.113(e). Exception rents do not apply to rental of a manufactured home space.
   b. Housing assistance payment:
      (1) Payment standard: The payment standard is used to calculate the monthly housing assistance payment for a family. The payment standard for a family renting a manufactured home space is the published FMR for rental of a manufactured home space.
      (2) Subsidy calculation: The amount of the monthly housing assistance payment for a family equals the lesser of paragraphs (c)(2)(I) or (c)(2)(ii) of this section:
         (a) Amount obtained by subtracting 30 percent of the family's monthly adjusted gross income from the sum of:
            i. The amortization cost;
            ii. The utility allowance; and
            iii. The payment standard.
         (b) The monthly gross rent for the manufactured home space minus the minimum rent. The minimum rent is the higher of:

i. 10 percent of monthly income (gross income); or
ii. A higher minimum rent as required by law.

c. Amortization cost:
(1) The amortization cost may include debt service to amortize costs (other than furniture costs) included in the purchase price of the manufactured home. The debt service includes the payment for principal and interest on the loan. The debt service amount must be reduced by 15 percent to exclude debt service to amortize the cost of furniture, unless the HA determines that furniture was not included in the purchase price.
(2) The amount of the amortization cost is the debt service established at time of application to a lender for financing purchase of the manufactured home if monthly payments are still being made. Any increase in debt service due to refinancing after purchase of the home is not included in the amortization cost.
(3) Debt service for set-up charges incurred by a family that relocates its home may be included in the monthly amortization payment made by the family. In addition, set-up charges incurred before the family became an assisted family may be included in the amortization cost if monthly payments are still being made to amortize such charges.

d. Annual income: In determining a family's annual income, the value of equity in the manufactured home owned by the assisted family, and in which the family resides, is not counted as a family asset.

5. Space Rental Utility allowance schedule. Sec. 982.624

The HA must establish utility allowances for manufactured home space rental. For the first twelve months of the initial lease term only, the allowances must include a reasonable amount for utility hook-up charges payable by the family if the family actually incurs the expenses because of a move. Allowances for utility hook-up charges do not apply to a family that leases a manufactured home space in place. Utility allowances for manufactured home space must not cover costs payable by a family to cover the digging of a well or installation of a septic system.

H. Foster Youth to Independence (FYI) Initiative

Tenant Protection Vouchers (TPVs) provided by HUD for youth eligible under the Family Unification Program (FUP), subject to availability.

1. Funding:
   a. The HA may request a minimum of one voucher and a maximum of 25 vouchers per Federal Fiscal Year.
   b. Voucher(s) will be requested for a specific person(s) qualifying for a FYI voucher.
2. Youth Eligibility:
   a. The population eligible to be assisted are youth certified by Alabama Department of Human Resources as meeting the following conditions:
      1) Has attained at least 18 years and not more than 24 years of age;
      2) Left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act at age 16 or older; and
      3) Is homeless or is at risk of becoming homeless. (**Homeless refers to the population included in the definition of this term at 24 CRF 578.3. At Risk of Becoming Homeless means the population defined as "At Risk of Homelessness" at 24 CFR 576.2**)

NOTE: Eligibility is not limited to single persons. For example, pregnant and/or parenting youth are eligible to receive assistance.

3. Youth Referral:
   a. Youth must be certified by the Alabama Department of Human Resources as eligible for assistance under this notice and referred to the HA for assistance.
   b. The HA must determine eligibility for the HCV program.
4. Additional Program Requirements:
   a. Turnover: These vouchers "sunset" when the youth leaves the program. This means that the PHA cannot reissue the HCV assistance issued under this notice when the youth exits the HCV program. When the youth exits the HCV program, HUD will reduce the PHA's HCV assistance to account for the removal of the FYI voucher assistance from the PHA's HCV baseline inventory.
   b. Youth Failure to Use Voucher: Should a youth fail to use the voucher, the PHA must notify HUD, and HUD will reduce the PHA's HCV assistance to account for the removal of the FYI voucher assistance from the PHA's HCV baseline inventory.

c. Waiting List Administration: The funding is targeted to a specific person. As a result, the PHA must use the assistance for that person. The PHA may admit the youth that is not on the PHA waiting list, or without considering the family's waiting list position. The PHA must maintain records showing the family was admitted with HUD-targeted assistance

d. Length of Assistance: As required by statute, a FYI voucher may only be used to provide housing assistance for youth for a maximum of 36 months. Lease and HAP contract

XXXVI. Family Self-Sufficiency Programs

The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of public housing assistance and assistance under the HCV rental program with public and private resources, to enable families eligible to receive assistance under these programs, and to achieve economic independence and self-sufficiency.
This HA has developed an action plan and policy and procedures to implement the requirements of this program. A copy of this plan, policy, and procedure is attached to this document and is incorporated by reference as if fully set out herein. The FSS plan includes the following.

A. Eligible FSS Participants:
Description of how current HCV participants (Families currently receiving HCV assistance are the only families eligible to participate in the FSS program) will be selected to participate in the FSS program; (Reference Action Plan and Policy and Procedures to Implement the FSS Program for specific guidelines on selecting participants for the FSS program). The basis of the selection criteria is listed below:

1. Fifty (50) percent of the HA's slots will be allocated to HCV participants with one or more family members currently enrolled in, or on the waiting list for, one or more FSS related service programs such as Job Opportunities and Basic Skills Training (JOBS) and/or Job Training Partnership Act (JTPA).
2. The remaining fifty (50) percent of the HA's slots will be filled based on the date and time a family expresses interest in the FSS program. The HA will notify each HCV participant of the availability of the FSS program, in writing, and inform the families that eligibility for participation will be based on the date and time the HA is contacted by the family and an interest is expressed in the program.

The HA will keep records for a period of not less than three years, which documents how families were selected for participation in the FSS program.

B. Termination of FSS:
If the FSS participant under reports income and assets, the HCV assistance can be terminated and/or the family can be terminated for the FSS program. In either case the HA will not credit the family's escrow account with any portion of the back rent.

1. Description of how HCV assistance is terminated and/or how FSS supportive services are withheld for violations of FSS obligations. HCV assistance is terminated in accordance with Section XI of this document. If a Family fails to meet its FSS obligations as outlined in the FSS contract of participation the family can be terminated from the FSS program. The family may lose HCV assistance if they are terminated from the FSS program. The HA is never required to terminate HCV assistance as a consequence of termination of the FSS contract.
2. If a family was selected to participate in the FSS program and was terminated because they did not meet its FSS obligations the family may be denied the opportunity to participant in the FSS program the second time based on the fact that they violated FSS obligation the first time the family participated in the FSS program. A family may also be denied the opportunity to participate in the FSS program if they owe funds to a HA.
3. If a FSS participant moves from another HA's jurisdiction with continued HCV assistance this HA is not obligated to enroll the FSS family in its FSS program. The family must qualify under the HA's guidelines for selection and participation in FSS program.

C. Reduction of Required FSS Program:
HA's may reduce their FSS obligation by one family for each FSS graduate fulfilling the family's contract of participation obligations on or after 10/21/1998. Also, minimum FSS program size will not increase when a HA receives incremental HCV funding and/or public housing units on or after 10/21/1998.

XXXVII. Deconcentration Rule

The objective of the deconcentration rule for HCV tenant-based assistance is to admit no less than 75% of its new admissions to the program to families that have income at or below the extremely low-income limit (See Appendix A – definition of Extremely Low-Income Family). The HA will track the status of all new admissions monthly by utilizing income reports generated by the HA's computer system. The goal will be tracked monthly and if the HA is not reaching its goal, families will be skipped on the waiting list to admit a family that has income that is at or below 30% of area median income. The practice will continue until the HA achieves its goal. The HA's HCV applicant selection process, which is contained in the HCV Administrative Plan provides for the skipping of families on the waiting list to accomplish this goal.

XXXVIII. Closing of Files and Purging Inactive Files

This HA will purge inactive files, after they have been closed for a period of three years, with the exception of troubled cases, or cases involving a household containing a minor with a reported elevated blood-lead level.
During the term of each assisted lease and for three years thereafter the HA will keep the lease, HAP Contract and the application from the family. In addition, the HA must keep for at least three years the following records:

1. Records with racial, ethnic, gender and disability status data for applicants and participants.

2. The application from each ineligible family and the notice that the applicant is ineligible.
3. HUD required reports and other HUD required files.
4. Lead based paint inspection reports as required.
5. Unit inspection reports.
6. Accounts and other records supporting the HA and financial statements.
7. Other records which may be specified by HUD.

The HA shall retain all data for current participants for audit purposes. No information shall be removed which may affect an accurate audit.

All debts owed to PHAs will be recorded in the EIV system.

XXXIX. Applicant Informal Review

A. Applicant Informal Review:
The HA must give an applicant for participation prompt notice of a decision denying assistance to the applicant. The notice must contain a brief statement of the reasons for the HA decision. The notice must also state that the applicant may request an informal review of the decision and must describe how to obtain the informal review. The request must be in writing and presented to the HA within ten days of the notice of denial.

1. Informal Review Process:
The HA must give an applicant an opportunity for an informal review of the HA decision denying assistance to the applicant. The review may be conducted by any person or persons designated by the HA, other than a person who made or approved the decision under review or a subordinate of this person. The applicant must be given an opportunity to present written or oral objections to the HA decision. The HA must notify the applicant of the final decision after the informal review. This notice must include a brief statement of the reasons for the final decision.

2. Informal Review Not Required:
An informal review is not required to be given by the HA in the following circumstances:
   a. Discretionary administrative determinations by the HA.
   b. General policy issues or class grievances.
   c. A determination of the family unit size under the HA subsidy standards.
   d. An HA determination not to approve the suspension or extension of a voucher term.
   e. A determination not to grant approval to lease a unit under the program, or to approve a proposed lease.
   f. A determination that a unit selected by the applicant is not in compliance with HQS.
   g. A determination that the unit is not in accordance with HQS because of the family size or composition.

B. Participant Informal Hearing:

The HA must give an opportunity to the participant for an informal hearing to consider whether the HA decisions relating to the individual circumstances of a participant family are in accordance with the law, HUD regulations, and HA policies. Under the following circumstances:

1. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
2. A determination of the appropriate utility allowance for tenant-paid utilities from the HA utility allowance schedule.
3. A determination of the family unit size under the HA subsidy standards.
4. A determination that the family is receiving subsidy for a larger number of bedrooms than appropriate for the family unit size under the HA subsidy standards, or the HA determination to deny the family's request for an exception from the standards.
5. A determination to terminate assistance for a participant family because of the family's action or failure to act.
6. A determination to terminate assistance because the participant family has been absent from the assisted unit for more than fourteen days in a calendar year.

In the cases described hereinabove, the HA must give the opportunity for an informal hearing before the HA terminates housing assistance payments for the family under an outstanding HAP contract.

1. The HA is not required to give an informal hearing for any of the following:
   a. Discretionary administrative determinations by the HA.
   b. General policy issues or class grievances.
   c. Establishment of the HA schedule of utility allowances for families in the program.
   d. A HA determination not to approve an extension or suspension of a voucher term.
   e. A HA determination not to approve a unit or lease.
   f. A HA determination that an assisted unit is not in compliance with HQS. Provided, however, that the HA must provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family as described in the Voucher/Lease Addendum, or in other HUD rules and regulations or HA policies.
   g. A HA determination that a unit is not in accordance with HQS because of the family size.
   h. A HA determination to exercise or not to exercise any right or remedy against the owner under a HAP contract.

2. Notice to the Family:
   The HA must notify the family that the family may ask for an explanation of the basis of the HA determination, and if the family does not agree with the determination, the family may request an informal hearing on the decision. The housing authority must give the family prompt written notice that the family may request a hearing, and this notice must contain a brief statement of the reasons for the decision, state that if the family does not agree with the decision, the family my request an informal hearing on the decision. The family has ten days from the date of the notice to request in writing

an informal hearing. The hearing will be scheduled by the HA within ten days from the date of the request.

C. Hearing Procedures:

The HA must give the participant an opportunity for an informal hearing of the HA decision terminating assistance to the participant. The hearing may be conducted by any person or persons designated by the HA, other than a person who made or approved the decision under review or a subordinate of this person. The person who conducts the hearing may regulate the conduct of the hearing in accordance with the HA hearing procedures. The HA and the participant shall each have the right to review any and all relevant documents which may be used in the hearing. If these documents are not made available for review, they may not be used in the hearing. Any fees for copying or procuring the documents shall be at the expense of the requesting party. The participant may be represented by a lawyer or other representative at the hearing. Costs of representation shall be the responsibility of the participant. The participant must be given an opportunity to present written or oral objections to the HA decision. The HA and the family must be given the opportunity to present evidence, and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. The HA must notify the applicant of the final decision after the informal review. This notice must include a brief statement of the reasons for the final decision. Factual determination relating to the individual circumstances of the family shall be based upon a preponderance of the evidence presented at the hearing. A copy of the hearing decision shall be furnished promptly to the family.

XL. Appendix "A" Definitions

❖ = Notes

Absorption	In portability, the point at which a receiving HA stops billing the initial HA for assistance on behalf of a portability family.
Adjusted Income	*Adjusted income* means annual income (as determined under § 5.609) of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions: (a) *Mandatory deductions.* (1) $480 for each dependent, which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of $25; (2) $525 for any elderly family or disabled family, which amount will be adjusted by HUD annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, rounded to the next lowest multiple of $25; (3) The sum of the following, to the extent the sum exceeds ten percent of annual income: (i) Unreimbursed health and medical care expenses of any elderly family or disabled family; and (ii) Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the member who is a person with a disability) to be employed. This deduction may not exceed the combined 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 childcare expenses necessary to enable a member of the family to be employed or to further his or her education. (b) *Financial hardship exemption for unreimbursed health and medical care expenses and reasonable attendant care and auxiliary apparatus expenses* (1) *Phased-in relief.* This paragraph provides financial hardship relief for families affected by the statutory increase in the threshold to receive health and medical care expense and reasonable attendant care and auxiliary apparatus expense deductions from annual income. (i) *Eligibility for relief.* To receive hardship relief under this paragraph (c)(1), the family must have received a deduction from annual income because their sum of expenses under paragraph (a)(3) of this section exceeded 3 percent of annual income as of January 1, 2024. (ii) *Form of relief.* (A) The family will receive a deduction totaling the sum of the expenses under paragraph (a)(3) of this section that exceed 5 percent of annual income. (B) Twelve months after the relief in this paragraph (c)(1)(ii) is provided, the family must receive a deduction totaling the sum of expenses under paragraph (a)(3) of this section that exceed 7.5 percent of annual income. (C) Twenty-four months after the relief in this paragraph (c)(1)(ii) is provided, the family must receive a deduction totaling the sum of expenses under paragraph (a)(3) of this section that exceed ten percent of annual income and

	the only remaining relief that may be available to the family will be paragraph (d)(1) of this section. (D) A family may request hardship relief under paragraph (c)(2) of this section prior to the end of the twenty-four-month transition period. If a family making such a request is determined eligible for hardship relief under paragraph (c)(2) of this section, hardship relief under this paragraph ends and the family's hardship relief shall be administered in accordance with paragraph (c)(2) of this section. Once a family chooses to obtain relief under paragraph (c)(2) of this section, a family may no longer receive relief under this paragraph. (2) *General.* This paragraph (c)(2) provides financial relief for an elderly or disabled family or a family that includes a person with disabilities that is experiencing a financial hardship. (i) *Eligibility for relief.* (A) To receive hardship relief under this paragraph (c)(2), a family must demonstrate that the family's applicable health and medical care expenses or reasonable attendant care and auxiliary apparatus expenses increased or the family's financial hardship is a result of a change in circumstances that would not otherwise trigger an interim reexamination. (B) Relief under this paragraph (c)(2) is available regardless of whether the family previously received deductions under paragraph (a)(3) of this section, is currently receiving relief under paragraph (c)(1) of this section, or previously received relief under paragraph (c)(1) of this section. (ii) *Form and duration of relief.* (A) The family will receive a deduction for the sum of the eligible expenses in paragraph (a)(3) of this section that exceed 5 percent of annual income. (B) The family's hardship relief ends when the circumstances that made the family eligible for the relief are no longer applicable or after 90 days, whichever comes earlier. (c) *Exemption to continue childcare expense deduction.* A family whose eligibility for the childcare expense deduction is ending may request a financial hardship exemption to continue the childcare expense deduction under paragraph (a)(4) of this section. The ~~Housing Authority~~ must recalculate the family's adjusted income and continue the childcare deduction if the family demonstrates to the Housing Authority's satisfaction that the family is unable to pay their rent because of loss of the childcare expense deduction, and the childcare expense is still necessary even though the family member is no longer employed or furthering his or her education. The hardship exemption and the resulting alternative adjusted income calculation will remain in place for a period of up to 90 days. (d) Hardship policy. (1) Hardship Exemptions: • A family may request a hardship exemption for increases in health and medical expenses of more than 10 percent that do not decrease **adjusted income** by 10 percent if the family has an inability to pay the rent increase. • A family may request a hardship exemption for continuing childcare deductions when the family no longer qualifies otherwise for the childcare deduction and childcare is still necessary (ex. Resident quits a job to care for a sick relative outside the household. Childcare may still be required to allow for the care of the relative), provided the new rent with no childcare deduction would be reduced by at least 10 percent using the childcare deduction.

	• Responsible entity determination. The responsible entity must establish a policy on how it defines what constitutes a hardship under paragraphs (b) and (c) of this section, which includes determining the family's inability to pay the rent, for purposes of determining eligibility for a hardship exemption under paragraph (d) of this section. (2) Family notification. The HA will promptly notify the family in writing of the change in the determination of adjusted income and the family's rent resulting from the hardship exemption. The notice must also inform the family of when the hardship exemption will begin and expire (i.e., the time periods specified under paragraph (c)(1)(ii) of this section or within 90 days or at such time as the responsibility entity determines the exemption is no longer necessary in accordance with paragraphs (c)(2)(ii)(B) or (d) of this section).
Administrative Fee	Fee paid by HUD to the HA for administration of the program and will include hard-to-house fees paid for moves by families with three or more minors, and extra counseling money that may be authorized by HUD.
Administrative Fee Reserve	(formerly "operating reserve") Account established by HA from excess administrative fee income. HA administrative fees may only be used to cover costs incurred to perform HA administrative responsibilities for the program in accordance with HUD regulations and requirements.
Administrative Plan	The administrative plan describes HA policies for administration of the tenant-based programs. This document is the administrative plan for the HA.
Admission	The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.
Adult	An adult is a person who has reached his/her 19th birthday or 18 years of age and married (not common law), who has been relieved of the disability of non-age by the juvenile court, is an unemancipated minor who is 18 years old and of sound mind, notwithstanding his or her minority or who has been convicted of a crime as an adult under any Federal, State or tribal law. Only persons who are adults shall be eligible to enter into a lease agreement for occupancy.
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 Contributions Contract (ACC)	A written contract between HUD and an HA. Under the contract HUD agrees to provide funding for operation of the program, and the HA agrees to comply with HUD requirements for the program.
Annual Income	(a) Annual income includes, with respect to the family: (1) All amounts, not specifically excluded in paragraph (b) of this section, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age, and (2) When the value of net family assets exceeds $50,000 (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD. (b) Annual income does not include the following: (1) Any imputed return on an asset when net family assets total $50,000 or less (which amount HUD will adjust annually in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers) and no actual income from the net family assets can be determined.

(2) The following types of trust distributions:

(i) For an irrevocable trust or a revocable trust outside the control of the family or household excluded from the definition of net family assets under § 5.603(b):

(A) Distributions of the principal or corpus of the trust; and

(B) Distributions of income from the trust when the distributions are used to pay the costs of health and medical care expenses for a minor.

(ii) For a revocable trust under the control of the family or household, any distributions from the trust; except that any actual income earned by the trust, regardless of whether it is distributed, shall be considered income to the family at the time it is received by the trust.

(3) Earned income of children under 18 years of age.

(4) Payments received for the care of foster children or foster adults, or State or Tribal kinship or guardianship care payments.

(5) Insurance payments and settlements for personal or property losses, including but not limited to payments through health insurance, motor vehicle insurance, and workers' compensation.

(6) Amounts received by the family that are specifically for, or in reimbursement of, the cost of health and medical care expenses for any family member.

(7) Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law, that resulted in a member of the family becoming disabled.

(8) Income of a live-in aide, foster child, or foster adult as defined in §§ 5.403 and 5.603, respectively.

(9)(i) Any assistance that section 479B of the Higher Education Act of 1965, as amended (20 U.S.C. 1087uu), requires be excluded from a family's income; and

(ii) Student financial assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education (as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

(A) Student financial assistance, for purposes of this paragraph (9)(ii), means a grant or scholarship received from—

(*1*) The Federal government.

(*2*) A State, Tribe, or local government.

(*3*) A private foundation registered as a nonprofit under 26 U.S.C. 501(c)(3);

(*4*) A business entity (such as corporation, general partnership, limited liability company, limited partnership, joint venture, business trust, public benefit corporation, or nonprofit entity); or

(*5*) An institution of higher education.

(B) Student financial assistance, for purposes of this paragraph (9)(ii), does not include—

(*1*) Any assistance that is excluded pursuant to paragraph (b)(9)(i) of this section.

(*2*) Financial support provided to the student in the form of a fee for services performed (*e.g.*, a work study or teaching fellowship that is not excluded pursuant to paragraph (b)(9)(i) of this section);

(3) Gifts, including gifts from family or friends; or

(4) Any amount of the scholarship or grant that, either by itself or in combination with assistance excluded under this paragraph or paragraph (b)(9)(i), exceeds the actual covered costs of the student. The actual covered costs of the student are the actual costs of tuition, books and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, or other fees required and charged to a student by the education institution, and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit. This calculation is described further in paragraph (b)(9)(ii)(E) of this section.

(C) Student financial assistance, for purposes of this paragraph (b)(9)(ii) must be:

(1) Expressly for tuition, books, room and board, or other fees required and charged to a student by the education institution;

(2) Expressly to assist a student with the costs of higher education; or

(3) Expressly to assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the education institution and not residing in an assisted unit.

(D) Student financial assistance, for purposes of this paragraph (b)(9)(ii), may be paid directly to the student or to the educational institution on the student's behalf. Student financial assistance paid to the student must be verified by the responsible entity as student financial assistance consistent with this paragraph (b)(9)(ii).

(E) When the student is also receiving assistance excluded under paragraph (b)(9)(i) of this section, the amount of student financial assistance under this paragraph (b)(9)(ii) is determined as follows:

(1) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is equal to or exceeds the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, none of the assistance described in this paragraph (b)(9)(ii) of this section is considered student financial assistance excluded from income under this paragraph (b)(9)(ii)(E).

(2) If the amount of assistance excluded under paragraph (b)(9)(i) of this section is less than the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section, the amount of assistance described in paragraph (b)(9)(ii) of this section that is considered student financial assistance excluded under this paragraph is the lower of:

(i) the total amount of student financial assistance received under this paragraph (b)(9)(ii) of this section, or

(ii) the amount by which the actual covered costs under paragraph (b)(9)(ii)(B)(4) of this section exceeds the assistance excluded under paragraph (b)(9)(i) of this section.

(10) Income and distributions from any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986 or any qualified tuition program under section 529 of such Code; and income earned by government contributions to, and distributions from, "baby bond" accounts created, authorized, or funded by Federal, State, or local government.

(11) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.

	(12)(i) 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); (ii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (*e.g.*, special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program; (iii) Amounts received under a resident service stipend not to exceed $200 per month. A resident service stipend is a modest amount 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. (iv) Incremental earnings and benefits resulting to any family member from participation in training programs funded by HUD or in qualifying Federal, State, Tribal, 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 unless those amounts are excluded under paragraph (b)(9)(i) of this section. (13) 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. (14) Earned income of dependent full-time students in excess of the amount of the deduction for a dependent in § 5.611. (15) Adoption assistance payments for a child in excess of the amount of the deduction for a dependent in § 5.611. (16) 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 in prospective monthly amounts. (17) Payments related to aid and attendance under 38 U.S.C. 1521 to veterans in need of regular aid and attendance. (18) 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. (19) Payments made by or authorized by a State Medicaid agency (including through a managed care entity) or other State or Federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family through the State Medicaid agency (including through a managed care entity) or other State or Federal agency for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit. (20) Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (*e.g.*, proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car). (21) Payments received by Tribal members as a result of claims relating to the mismanagement of assets held in trust by the United States, to the extent such

payments are also excluded from gross income under the Internal Revenue Code or other Federal law.

(22) Amounts that HUD is required by Federal statute to exclude 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 paragraph (b) of this section apply. HUD will publish a notice in the **Federal Register** to identify the benefits that qualify for this exclusion. Updates will be published when necessary.

(23) Replacement housing "gap" payments made in accordance with 49 CFR part 24 that offset increased out of pocket costs of displaced persons that move from one federally subsidized housing unit to another Federally subsidized housing unit. Such replacement housing "gap" payments are not excluded from annual income if the increased cost of rent and utilities is subsequently reduced or eliminated, and the displaced person retains or continues to receive the replacement housing "gap" payments.

(24) Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under this paragraph, even if the source, date, or amount of the income varies. Nonrecurring income includes:

(i) Payments from the U.S. Census Bureau for employment (relating to decennial census or the American Community Survey) lasting no longer than 180 days and not culminating in permanent employment.

(ii) Direct Federal or State payments intended for economic stimulus or recovery.

(iii) Amounts directly received by the family as a result of State refundable tax credits or State tax refunds at the time they are received.

(iv) Amounts directly received by the family as a result of Federal refundable tax credits and Federal tax refunds at the time they are received.

(v) Gifts for holidays, birthdays, or other significant life events or milestones (*e.g.*, wedding gifts, baby showers, anniversaries).

(vi) Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization.

(vii) Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings.

(25) Civil rights settlements or judgments, including settlements or judgments for back pay.

(26) Income received from any account under a retirement plan recognized as such by the Internal Revenue Service, including individual retirement arrangements (IRAs), employer retirement plans, and retirement plans for self-employed individuals; except that any distribution of periodic payments from such accounts shall be income at the time they are received by the family.

(27) Income earned on amounts placed in a family's Family Self Sufficiency Account.

(28) Gross income a family member receives through self-employment or operation of a business; except that the following shall be considered income to a family member:

(i) 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; and

(ii) 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.

(c) *Calculation of Income.* The PHA or owner must calculate family income as follows:

(1) *Initial occupancy or assistance and interim reexaminations.* The PHA or owner must estimate the income of the family for the upcoming 12-month period:

(i) To determine family income for initial occupancy or for the initial provision of housing assistance; or

(ii) To determine family income for an interim reexamination of family income under §§ 5.657(c), 960.257(b), or 982.516(c) of this title.

(2) *Annual Reexaminations.* (i) The PHA or owner must determine the income of the family for the previous 12-month period and use this amount as the family income for annual reexaminations, except where the PHA or owner uses a streamlined income determination under §§ 5.657(d), 960.257(c), or 982.516(b) of this title.

(ii) In determining the income of the family for the previous 12-month period, the PHA or owner must take into consideration any redetermination of income during the previous 12-month period resulting from an interim reexamination of family income under §§ 5.657(c), 960.257(b), or 982.516(c) of this title.

(iii) The PHA or owner must make adjustments to reflect current income if there was a change in income during the previous 12-month period that was not accounted for in a redetermination of income.

(3) *Use of other programs' determination of income.* (i) The PHA may, using the verification methods in paragraph (c)(3)(ii) of this section, determine the family's income prior to the application of any deductions applied in accordance with § 5.611 based on income determinations made within the previous 12-month period for purposes of the following means-tested forms of Federal public assistance:

(A) The Temporary Assistance for Needy Families block grant (, *et seq.*).

(B) Medicaid (42 U.S.C. 1396 *et seq.*).

(C) The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 *et seq.*).

(D) The Earned Income Tax Credit (26 U.S.C. 32).

(E) The Low-Income Housing Credit (26 U.S.C. 42).

(F) The Special Supplemental Nutrition Program for Woman, Infants, and Children (42 U.S.C. 1786).

(G) Supplemental Security Income (42 U.S.C. 1381 *et seq.*).

(H) Other programs administered by the Secretary.

(I) Other means-tested forms of Federal public assistance for which HUD has established a memorandum of understanding.

(J) Other Federal benefit determinations made in other forms of means-tested Federal public assistance that the Secretary determines to have comparable reliability and announces through the **Federal Register**.

(ii) If a PHA or owner intends to use the annual income determination made by an administrator for allowable forms of Federal means-tested public assistance under this paragraph (c)(3), the PHA or owner must obtain it using the appropriate third-party verification. If the appropriate third-party verification is unavailable, or if the family disputes the determination made

	for purposes of the other form of Federal means-tested public assistance, the PHA or owner must calculate annual income in accordance with 24 CFR part 5, subpart F. The verification must indicate the tenant's family size and composition and state the amount of the family's annual income. The verification must also meet all HUD requirements related to the length of time that is permitted before the third-party verification is considered out-of-date and is no longer an eligible source of income verification. (4) *De minimis errors*. The PHA or owner will not be considered out of compliance with the requirements in this paragraph (c) solely due to de minimis errors in calculating family income. A de minimis error is an error where the PHA or owner determination of family income deviates from the correct income determination by no more than $30 per month in monthly adjusted income ($360 in annual adjusted income) per family. (i) The PHA or owner must still take any corrective action necessary to credit or repay a family if the family has been overcharged for their rent or family share as a result of the de minimis error in the income determination, but families will not be required to repay the PHA or owner in instances where a PHA or owner has miscalculated income resulting in a family being undercharged for rent or family share. (ii) HUD may revise the amount of de minimis error in this paragraph (c)(4) through a rulemaking published in the **Federal Register** for public comment. ○
Applicant	A person or a family that has applied for admission to the program but is not yet a participant in the program.
Area of Operation	The jurisdiction of the HA as described in applicable State law and the HA's Articles of Incorporation.
Assets	Assets mean cash (including checking accounts), stocks, bonds, savings, equity in real property, or the cash value of life insurance policies. Assets includes the value of personal property listed in the chart under the NET Family Assets definition. IMPORTANT: See the definition of Net Family Assets, for assets used to compute annual income. (See the definition of Net Family Assets)
Care Attendant	A person that regularly visits the unit of a HA resident to provide supportive or medical services. Care attendants are not live-in aides, since they have their own place of residence (and if requested by HA must demonstrate separate residence) and do not live in the public housing unit. Care attendants have no rights of tenancy.
Catastrophic Involuntary Displacement	Displacement that may be caused by fire, acts of nature
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 (which shall be documented by the family to the satisfaction of the HA), 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 childcare, and, in the case of childcare necessary to permit employment, the amount deducted shall not exceed the amount of income received from such employment. The reasonable amount of charges is determined by the HA, by conducting surveys of local childcare providers. **If the Total Annual Income less the above allowances result in a rent that is less than the established minimum rent, the tenant rent will be established at the HA established minimum rent.**
Child Custody	• The applicant/participant must have primary custody of the child.

	• The applicant/participant must provide sufficient evidence that the child would reside with the Section 8 participant. **The same child cannot be claimed by more than one applicant/participant.**
Citizen	A citizen or national of the United States.
Co-head of Household	A household where two persons are held responsible and accountable for the family, and where each co head contributes to the rent.
Common Space	In shared housing: Space available for use by the assisted family and other occupants of the unit.
Congregate Housing	Housing for elderly persons or persons with disabilities that meets the HQS for congregate housing.
Contiguous Metropolitan Statistical Area (MSA)	In portability, an MSA that shares a common boundary with the MSA in which the jurisdiction of the initial HA is located.
Continuously Assisted	An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the Section 8 program.
Contract Authority	The maximum annual payment by HUD to an HA for a funding increment.
Cooperative Housing (Mutual Housing)	Housing owned by a non-profit 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.
Covered Person	For the purposes of screening and terminating participation for criminal activity, a tenant, any member of the tenant's household, a guest, or another person under the tenant's control.
Day Laborer	An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future.
Dependent	A member of the household, other than head, spouse, sole member, foster child, or Live-in Aide, who is under 18 years of age, or 18 years of age or older and disabled, or a full-time student, and qualifies for a $480 deduction when computing income-based rent. [24 CFR 5.603] An unborn child shall not be considered a dependent.
Disabled Family	A family whose head including co-head, spouse, or sole member is a person with disabilities. (Person with disabilities is defined later in this section.) The term includes two or more persons with disabilities living together, and one or more such persons living with one or more persons including live-in aides determined to be essential to the care and well-being of the person or persons with disabilities. A disabled family may include persons with disabilities who are elderly. [24 CFR 5.403]
Disabled Person	(See Handicapped Person)
Displaced Family	A person, or family, displaced by governmental action, or 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.
Displaced Person	A person displaced by government action or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise recognized pursuant to Federal disaster relief laws. This definition is used for eligibility determinations only. It should not be confused with the former Federal preference for involuntary displacement. [(42 USC 1437a(b)(3)]
Divestiture Income	Imputed income from assets, including business assets, disposed of by applicant or resident in the last two years at less than fair market value. (See the definition of Net Family Assets [24 CFR 5.603] in this section.)
Domicile	The legal residence of household head or spouse as determined in accordance with State and local law.
Drug	A controlled substance as defined in the Controlled Substances Act. [24 CFR 5.100]
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. [24 CFR 5.100]
Earned Income	Income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment. Earned income does not include any pension or annuity, transfer

	payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, social security, and governmental subsidies for certain benefits), or any cash or in-kind benefits.
Elderly Family	A family whose head including co-head, or spouse (or sole member) is at least 62 years of age. It may include two or more elderly persons living together, and one or more such persons living with one or more persons, including live-in aides, determined to be essential to the care and well-being of the elderly person or persons. An elderly family may include elderly persons with disabilities and other family members who are not elderly. [24 CFR 5.403]
Elderly Person	A person who is at least 62 years of age. [42 USC 1437a(b)(3)]
Enterprise Income Verification (EIV)	A computerized Social Security Number matching system utilized to obtain income information.
Evidence of Citizenship or Eligible Immigration Status	The documents that must be submitted to evidence citizenship or eligible immigration status.
Extremely Low Income Family	A Family whose Annual Income does not exceed 30% of the higher of 30% of the Area Median Income or the Federal poverty level. Where the higher of 30% of the Area Median Income or the Federal poverty level exceeds the Very Low-Income (VLI) limit, the ELI limit is reduced to equal the VLI limit as published by HUD. This effects the targeting requirements of 75% of new admissions to the housing choice voucher program.
Fair Market Rent (FMR)	The rent, including the cost of utilities (except telephone), that would be required to be paid in the housing market area to obtain privately owned, existing, decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. FMRs for existing housing are established by HUD for housing units of varying sizes (number of bedrooms), and are published in the Federal Register in accordance with 24 CFR, part 888.
Familial Status	A single pregnant woman and individuals in the process of obtaining custody of any individual who has not attained the age of 18 years are processed for occupancy the same a single person. Individuals in the process of obtaining custody of any individual who has not attained the age of 18 years are only entitled to a one-bedroom unit. However, a single pregnant woman must be treated as a 2-person family to determine subsidy standard. Once custody is obtained, the family's subsidy standard will be redetermined and authorized to transfer as outlined in the Transfer Section if larger unit is required.

Family	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, displaced person, disabled person, near-elderly person, or any other single person:
	  ○ A group of persons residing together, and such group includes, but is not limited to:
	  ○ An otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older:
	• A group of persons residing together, and 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

	• The remaining member of a tenant family • A foster care arrangement, or a kinship care arrangement **By definition, a family must contain a competent adult of at least 18 years of age or a minor who has been relieved of the disability of non-age by the juvenile court or is an unemancipated minor who is 18 years old and of sound mind, notwithstanding his or her minority to enter into a contract and capable of functioning as the head of the household.** Other persons, including members temporarily absent (e.g., a child temporarily placed in foster care or a student temporarily away at college), may be considered a part of the applicant family's household if they are living or will live regularly with the family. [24 CFR § 5 and 960] • Live-in Aides may also be considered part of the applicant family's household. However, live-in aides are not family members and have no rights of tenancy or continued occupancy. • Foster Care Arrangements include situations in which the family is caring for a foster adult, child, or children in their home who have been placed there by a public child placement agency, or a foster adult or adults placed in the home by a public adult placement agency. For purposes of continued occupancy: the term family also includes the remaining member of a resident family with the capacity to execute a lease.
Family Self-Sufficiency (FSS) Program	The program established by an HA to promote self-sufficiency of assisted families, including the provision of supportive services (42 U. S. C. 1437u). Reference 24 CFR, part 984.
Family Share	The portion of rent and utilities paid by the family.
Family Unit Size	The appropriate number of bedrooms for a family. Family unit size is determined by the HA under the HA subsidy standards.
Foster Children	With the prior written consent of the Landlord, a foster child may reside on the premises. The factors considered by the Landlord in determining whether or not consent is granted may include: • Whether the addition of a new occupant may require a transfer of the family to another unit, and whether such units are available. • The Landlord's obligation to make reasonable accommodation for handicapped persons.
Foster Adult	A member of the household who meets the definition of a foster child under State law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction.
Full -Time Student	A member of a family (other than the head of household or spouse) who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. Educational institution shall include but not be limited to: college, university, secondary school, vocational school, or trade school [24 CFR 5.603]. The attended educational institution will supply verification.
Funding Increment	Each commitment of budget authority by HUD to an HA under the consolidated ACC for the HA program.
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-aid).
Guest	A guest is 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 requirements of the lease apply to a guest as so defined.

Handicapped Assistance Expense	Reasonable expenses that are anticipated, during the period for which Total Annual Family Income is computed, for attendant care and auxiliary apparatus for a Handicapped or Disabled family member and that are necessary to enable a family member (including the Handicapped or Disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.
Handicapped Person And/or Disabled Person	A person having a physical or mental impairment which: • Is expected to be of long continued and indefinite duration, • Substantially impedes his/her ability to live independently, and • Is of such a nature that such disability could be improved by more suitable housing conditions. **All three conditions must be met to qualify as handicapped.** A person who is under a disability as defined in Section 223 of the Social Security Act (42 U.S.C. 423) or in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 USC 6001(7)), or is handicapped as defined below: • Section 223 of the Social Security Act defines disability as: ○ "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 twelve (12) months; or ○ In the case of any individual who has attained the age of fifty-five (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 abilities comparable to those of any gainful activity in which he has previously engaged with some regularity and over a substantial period of time." • Section 102(5), of the Development Disabilities Services and Facilities Construction Amendments of 1970 defines disability as: ○ "A disability attributable to mental retardation, cerebral palsy, epilepsy or another neurological condition of an individual found by the Secretary (of Health and Human Resources) to be closely related to mental retardation or to require treatment similar to that required for mentally retarded individuals, which disability originates before such individual attains age eighteen (18), which has continued or can be expected to continue indefinitely, and which constitutes a substantial handicap to such individual." **No individual shall be considered to be a person with a disability for purposes of eligibility for low-income housing solely on the basis of any drug or alcohol dependency.**
Hazardous Duty Pay	Pay to a family member in the Armed Forces away from home and exposed to hostile fire.
Head Of Household	The adult member of the family (identified by the family) who is the head of the household for purposes of determining income eligibility and rent. Also, the head of household is primarily responsible and accountable for the family, particularly in regard to family obligations.
Homeless Family	Any individual or family who: • Lacks a fixed, regular, and adequate nighttime residence; • Has a primary nighttime residence that is: ○ A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing or housing for the mentally ill); ○ An institution that provides a temporary residence for individuals intended to be institutionalized; or

	○ A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. A homeless family does not include: • Any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State Law; or • Any individual who is a Single Room Occupant that is not considered substandard housing.
Household	The family and a HA-approved Live-in Aide.
Housing Agency	Housing Agency (Public Housing Agency (PHA), PHA and HA are the same thing) A State, county, municipality or other governmental entity or public body (or agency or instrumentality thereof) authorized to engage in or assist in the development or operation of low-income housing.
Housing Assistance Payment (HAP)	The monthly assistance payment made by the HA. The total assistance payment consists of: • A payment to the owner for rent to the owner under the family's lease. • An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement." **The HA may elect to pay the appropriate amount directly to the utility provider.**
Housing Assistance Payment Contract	A written contract between an HA and an owner, in the form prescribed by HUD, in which the HA agrees to make housing assistance payments to the owner on behalf of an eligible family.
Housing Quality Standards (HQS)	The HUD minimum quality standards for housing assistance under the tenant-based programs.(Effective October 1, 2024 will become NSPIRE)
HUD - Housing and Urban Development	The U. S. Department of Housing and Urban Development.
HUD Requirements	HUD requirements for the Section 8 program. HUD requirements are issued by HUD headquarters, as regulations, Federal Register notices or other binding program directives.
Income Exclusions	○ See Annual Income
Independent Contractor	An individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently subject to the Self-Employment Tax. In general, an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.
Infant	A child under the age of two years.
Initial Contract Rent	In the certificate program, the contract rent at the beginning of the initial lease term.
Initial HA	In portability, the term refers to both: • An HA that originally selected a family that subsequently decides to move out of the jurisdiction of the selecting HA. • An HA that absorbed a family that subsequently decides to move out of the jurisdiction of the absorbing HA.
Initial Lease Term	The initial term of the assisted lease. The initial lease term must be for at least one year.
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 initial lease term.
INS	The U. S. Immigration and Naturalization Service.
Interim Redetermination of Rent	Changes of rent between admissions and reexaminations and the next succeeding reexamination.
Involuntary Displacement	Families that meet the definition of involuntary displaced qualify for a preference in the selecting applicants for admission to public housing.
Jurisdiction	The area in which the HA has authority under State and local law to administer the program.

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 HA. **In cooperative housing, a written agreement between a cooperative and a member of the cooperative. The agreement established the conditions for occupancy of the member's cooperative dwelling unit by the member's family with housing assistance payments to the cooperative under a HAP contract between the cooperative and the HA. For purposes of part 982, the cooperative is the Section 8 "owner" of the unit, and the cooperative member is the Section 8 "tenant."**
Lease Addendum	In the lease between the tenant and the owner, the lease language required by HUD.
Live-in Aide	A person who resides with an elderly person(s), near elderly person(s) or person(s) with disabilities and who: • Is determined by HA to be essential to the care and wellbeing of the person(s); • Is not obligated to support the family member; and • Would not be living in the unit except to provide the necessary supportive services [24 CFR 5.403]. HA policy on Live-in Aides stipulates that: ○ Before a Live-in Aide may be moved into a unit, a third-party verification must be supplied that establishes the need for such care and the fact that the live-in aide is qualified to provide such care; ▪ Move in of a Live-in Aide must not result in overcrowding of the existing unit according to the maximum-number-of-persons-per-unit standard (although, a reasonable accommodation for a resident with a disability may be to move the family to a larger unit); ▪ Live-in Aides have no right to the unit as a remaining member of a resident family; ▪ Relatives who satisfy the definitions and stipulations above may qualify as Live-in Aides, but only if they sign a statement prior to moving in relinquishing all rights to the unit as the remaining member of a resident family; ▪ A Live-in Aide will be required to meet HA's screening requirements with respect to past behavior especially: ⬥ A record of disturbance of neighbors, destruction of property, or living or housekeeping habits at present or prior residences that may adversely affect the health, safety, or welfare of other tenants or neighbors; ⬥ Criminal activity such as crimes of physical violence to persons or property and other criminal acts including drug related criminal activity that would adversely affect the health, safety, or welfare of other residents or staff or cause damage to the unit or the development; and ⬥ A record of eviction from housing or termination from residential programs.
Low-income Household	A family whose annual income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller and larger families [42 USC 1437a(b0]
Manufactured Homes	A Manufactured structure that is built on a permanent chassis that is designed for use as a principal place of residence, and meets the HQS.
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.
Military Service	Military Service means the active military service of the United States, which includes the Army, Navy, Air Force, Marine Corps, Coast Guard, and, since July 29, 1945, the commissioned corps of the United States Public Health Service.

Minimum Rent	The HA has the discretion to establish the minimum rent from $50.
Minimum Rent hardship Exemptions	The HA shall immediately grant an exemption from application of the minimum monthly rent to any family making a proper request in writing who is unable to pay because of financial hardship, which shall include: • The family has lost eligibility for, or is awaiting an edibility determination for a federal, state, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the immigration and nationalization act who would be entitled to public benefits but for Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. • The family would be evicted as a result of the implementation of the minimum rent. • The income of the family has decreased because of changed circumstance, including loss of employment. • A death in the family has occurred which affects the family circumstances. • Other circumstances which may be decided by the HA on a case-by-case basis. **All of the above must be proven by the Resident providing verifiable information in writing to the HA prior to the rent becoming delinquent and before the lease is terminated by the HA.** If a resident requests a hardship exemption (prior to the rent being delinquent) under this section, and the HA reasonably determines the hardship to be of a temporary nature, exemption shall not be granted during a ninety day period beginning upon the making of the request for the exemption. A resident may not be evicted during the ninety-day period for non-payment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long-term basis, the HA shall retroactively exempt the resident from the applicability of the minimum rent requirement for such ninety-day period. This Paragraph does not prohibit the HA from taking eviction action for other violations of the lease.
Minor	A member of the family, other than the head of family 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 Annual Income.
Monthly Income	One twelfth of Annual Income.
Mutual Housing	See definition of "cooperative housing."
Multifamily Housing Project	For purposes of Section 504, means a project containing five or more dwelling units. [24 CFR 8.3]
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.
Net Family Assets	The net cash value of all assets owned by the family, after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of investment, except as excluded (see Exclusions below). Assets with negative equity. The cash value of real property or other assets with negative equity would be considered $0 for the purposes of calculating net family assets. Negative equity in real property or other investments does not prohibit the family from selling the property or other investments, so negative equity alone would not justify excluding the property or other investments from family assets. Assets disposed of for less than fair market value. In determining the value of net family assets, PHAs must 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. Exclusions: Required exclusions from net family assets include the following: • The value of necessary items of personal property. (See chart below)

- The value of all non-necessary items of personal property with a total combined value of $50,000 or less, annually adjusted for inflation.
- The value of any account under a retirement plan recognized as such by the Internal Revenue Service, including Individual Retirement Accounts (IRAs), employer retirement plans (e.g., 401(k), 403(b)), and retirement plans for self-employed individuals.
- The value of real property that the family does not have the effective legal authority to sell in the jurisdiction in which the property is located.
- Any amounts recovered in any civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family being a person with disabilities.
- The value of any Coverdell education savings account under section 530 of the Internal Revenue Code of 1986; the value of any qualified tuition program under section 529 of such Code; and the amounts in, contributions to, and 61 distributions from any Achieving a Better Life Experience (ABLE) account authorized under section 529A of such code.
- The value of any "baby bond" account created, authorized, or funded by the federal, state, or local government (money held in trust by the government for children until they are adults).
- Interests in Indian trust land.
- Equity in a manufactured home where the family receives assistance under 24 CFR Part 982.
- Equity in property under the Homeownership Option for which a family receives assistance under 24 CFR Part 982.
- Family Self-Sufficiency accounts.
- Federal tax refunds or refundable tax credits for a period of 12 months after receipt by the family.
- The full amount of assets held in an irrevocable trust. (See paragraph F.4.d (Trusts) of this notice.)
- The full amount of assets held in a revocable trust where a member of the family is the beneficiary, but the grantor/owner and trustee of the trust is not a member of the participant family or household. (See paragraph F.4.d (Trusts) of this notice)

Examples of Necessary and Non-Necessary Personal Property

Necessary Personal Property	Non-Necessary Personal Property
Car(s)/vehicle(s) that a family relies on for transportation for personal or business use (e.g., bike, motorcycle, skateboard, scooter)	Recreational car/vehicle not needed for day-today transportation (campers, motorhomes, travel trailers, all-terrain vehicles (ATVs))
Furniture, carpets, linens, kitchenware	Bank accounts or other financial investments (e.g., checking account, savings account, stocks/bonds)
Common appliances	Recreational boat/watercraft
Common electronics (e.g., radio, television, DVD player, gaming system)	Expensive jewelry without religious or cultural value, or which does not hold family significance
Clothing	Collectibles (e.g., coins/stamps)
Personal effects that are not luxury items (e.g., toys, books)	Equipment/machinery that is not used to generate income for a business
Wedding and engagement rings	Items such as gems/precious metals, antique cars, artwork, etc.
Jewelry used in religious/cultural celebrations and ceremonies	
Religious and cultural items	
Medical equipment and supplies	
Health care–related supplies	

	Musical instruments used by the family
Non-citizen	A person who is neither a citizen nor national of the United States.
Notice of Funds Availability (NOFA)	For budget authority that HUD distributes by competitive process, the federal register document that invites applications for funding. The document explains how to apply for assistance and the criteria for awarding the funding.
Other Person Under the Tenant's Control	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 (e.g. the Pizza Delivery person)
Owner	Any person or entity with the legal right to lease or sublease a unit to a participant.
Participant	A family that has been admitted to the HA 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 HA for the family.
Payment Standard	The maximum subsidy payment for a family (before deducting the family contribution). The HA sets a payment standard in the range from 90 percent to 110 percent of the current FMR.
Person with Disabilities [42 USC 1437a(b)(3)]	Means a person who: • Has a disability as defined in Section 223 of the Social Security Act (42 USC 423); or, • Has a physical, mental or emotional impairment that: ○ Is expected to be of long continued and indefinite duration; ○ Substantially impedes his/her ability to live independently; and, ○ Is of such nature that such disability could be improved by more suitable housing conditions; or, ○ Has a developmental disability as defined in Section 102 (5) (b) of the Developmental Disabilities Assistance and Bill of Rights Act [42 USC 6001 (5)]. **A person with disabilities may be a child.**
Portability	Renting a dwelling unit with Section 8 tenant-based assistance outside the jurisdiction of the initial HA.
Preference	At the option of the HA, a preference system can be used to select among applicant families.
Premises	The building or complex in which the dwelling unit is located, including common areas and grounds.
Private Space	In shared housing: The portion of a contract unit that is for the exclusive use of an assisted family.
Program	The tenant-based housing voucher program.
Project Based	Rental assistance that is attached to the structure.
Public Housing Agency (HA)	Any State, County, Municipality or other government entity or public body (or agency or instrumentality thereof) that is authorized to engage in or assist in the development of operation of housing for lower income families.
Reasonable Rent	A rent to owner that is not more than either: Rent charged for comparable units in the private unassisted market; or Rent charged by the owner for a comparable unassisted unit in the building or premises.
Receiving HA	In portability, an HA that receives a family selected for participation in the tenant-based program of another HA. The receiving HA issues a certificate or voucher, and provides program assistance to the family.
Reexamination	Reexamination is sometimes called recertification. The process of securing documentation, which indicates that tenants meet the eligibility requirements for, continued occupancy.
Re-Examination Date	The date on which any rent change is effective or would be effective if required as a result of the annual reexamination of eligibility and rent. The reexamination date(s) is the anniversary date (month) of the lease.

Remaining Member Of The Resident Family	The person(s) of legal age remaining in the leased unit after the person(s) who signed the lease has (have) left the premises, other than by eviction, which may or may not normally qualify for assistance on their own circumstances. An individual must occupy the unit to which he claims head of household status for one year before becoming eligible for subsidized housing as a remaining family member. This person must complete forms necessary for housing within ten days from the departure of the leaseholder and may retain assistance for a reasonable time pending the verification and hearing process. This person must, upon satisfactory completion of the verification process, then execute a new lease and cure any monetary obligations in order to remain on the program. Any person who claims him or herself as a remaining member shall, in the event that the HA declares him or her ineligible for remaining member status, be entitled to the hearing process upon notice to him or her that he or she is not considered to be a remaining member of the household. The person requesting remaining member status must request this hearing in writing within ten days from the date of the departure of the head of household. The HA does not recognize the person as a participant by giving him or her opportunity for a hearing. A remaining member shall not be considered to be a participant until such time as a new lease is executed by the HA and the person granted tenant status after the verification status.
Rent to Owner	The total monthly rent payable to the owner under the lease for the unit. Rent to Owner covers payment for any housing services, maintenance and utilities that the owner is required to provide and pay for.
Seasonal Worker	An individual who is hired into a short-term position and the employment begins about the same time each year (such as summer or winter). Typically, the individual is hired to address seasonal demands that arise for the particular employer or industry.
Set-Up Charges	In a manufactured home space rental: charges payable by the family for assembling, skirting, and anchoring the manufactured home.
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.
Single Person	A person who lives alone or intends to live alone, and who does not qualify as an elderly family or a displaced person, or as the remaining member of a tenant family.
Single Room Occupancy	Single Room Occupancy (SRO) Housing is a unit which does not contain sanitary facilities or food preparation facilities, or which contains one but not both types of facilities, and is suitable for occupancy by an eligible individual who is capable of independent living. SRO Housing is not substandard solely because it does not contain sanitary facilities or food preparation facilities, or both.
Special Admission	Admission of an applicant that is not on the HA waiting list, or without considering the applicant's waiting list position.
Spouse	Either member of a married pair in relation to the other.
Standard Permanent Replacement Housing	Is housing: • That is decent, safe, and sanitary; • That is adequate for the family size; and • That the family is occupying pursuant to a lease or occupancy agreement. Such housing does not include transient facilities, such as motels, hotels, or temporary shelters for victims of domestic violence or homeless families, and in the case of domestic violence, does not include the housing unit in which the applicant and the applicant's spouse or other member of the household who engages in such violence live. **A "homeless family" does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.**
Subsidy Standards	Standards established by an HA to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and composition.
Substandard Housing	A unit is substandard if it: • Is dilapidated: ○ Does not have operable indoor plumbing;

	○ Does not have a usable flush toilet inside the unit for the exclusive use of a family; ○ Does not have a usable bathtub or shower inside the unit for the exclusive use of a family; ○ Does not have electricity, or has inadequate or unsafe electrical service; ○ Does not have a safe or adequate source of heat; ○ Should, but does not, have a kitchen; or ○ Has been declared unfit for habitation by an agency or unit of government. • A housing unit is dilapidated if it does not provide safe and adequate shelter, and in its present condition endangers the health, safety, or well-being of a family, or it has one or more critical defects, or a combination of intermediate defects in sufficient number or extent to require considerable repair or rebuilding. The defects may involve original construction, or they may result from continued neglect or lack of repair or from serious damage to the structure. An applicant who is a "homeless family" is living in substandard housing. For purposes of the preceding sentence, a "homeless family" includes any individual or family who: • Lacks a fixed, regular, and adequate nighttime residence; and • Has a primary nighttime residence that is: ○ A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing programs); ○ An institution that provides a temporary residence for individuals intended to be institutionalized; or ○ A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.
Suspension	Stopping the clock on the term of a family's certificate or voucher on the date that the HA receives the request for lease approval by the family.
Temporarily Absent Family Members	Any person(s) on the lease that is not living in the household for a period of more than thirty days (30) is considered temporarily absent. Absences of more than six months are not generally considered to be temporary and must be approved by the HA.
Tenant Rent	The amount payable monthly by the Family as rent to the landlord. Where all utilities (gas, water, and electricity) are supplied by the landlord, Tenant Rent equals Total Tenant Payment or minimum rent. Where some or all utilities (gas, water and electricity) are not supplied by the HA and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment or minimum rent less the utility allowance. Telephone and cable television service is not a utility.
Total Tenant Payment (TTP)	The TTP, or income-based rent, is calculated using the following formula: • For the Public Housing Program, the TTP must be the greater of: ○ 30 percent of family monthly adjusted income (see note); ○ 10 percent of family monthly income; or ○ Which is the minimum rent set by the HA • If the Resident pays any of the utilities directly to the utility supplier, the amount of the Utility Allowance is deducted from the TTP. [24 CFR 5.613] See the definition for Tenant Rent. It is possible for Section 8 participants to qualify for a utility reimbursement despite the requirement of a minimum rent. For example, if a participant family's TTP is the minimum rent of $25 and the utility allowance for the size and type unit the family has selected is $60, the family would receive a utility reimbursement of $35 ($60 less $25) for tenant purchased utilities.
Unearned income	Any annual income, as calculated under § 5.609, that is not earned income (see earned income definition above).
Utilities	Utilities means water, electricity, gas, other heating, refrigeration and cooking fuels, trash collection, and sewerage services. Telephone service is not included as a utility.

Utility Allowance	If the cost of utilities (except telephone and cable) and other housing services for an assisted unit is not included in the rent, but is the responsibility of the family occupying the unit, then the utility allowance is an amount equal to the estimate made or approved by the HA 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. If the family pays directly for one or more utilities or services, the amount of the allowance is deducted from the gross rent in determining the contract rent and is included in the gross family contribution.
Utility Reimbursement Payment (URP)	Utility Reimbursement Payment is the amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit. At the discretion of the HA, the check may be made payable jointly to the resident and utility provider or directly to the utility provider. **IF THE TOTAL QUARTERLY REIMBURSEMENT PAYMENT DUE TO A FAMILY IS EQUAL TO OR LESS THAN $45 PER QUARTER. THE HA MAY MAKE REIMBURSEMENT PAYMENTS RETROACTIVELY OR PROSPECTIVELY. THE HA MAY CHOOSE TO MAKE REIMBURSEMENT PAYMENTS RETROACTIVELY. A FAMILY MAY REQUEST A HARDSHIP EXEMPTION IN ACCORDANCE WITH 24 CFR 5.630(B)(2). IF A FAMILY RECEIVES A HARDSHIP EXEMPTION, THEN THE HA MAY EITHER REIMBURSE THE FAMILY ON A MONTHLY BASIS OR IT MAY MAKE *PROSPECTIVE* PAYMENTS TO THE FAMILY ON A QUARTERLY BASIS. THE HA WILL NOTIFY THE RESIDENTS IF QUARTERLY PAYMENTS WILL BE MADE.**
Very Low-Income Family	A lower Income Family means a family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. 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 [42 USC 1437a(b].
Violent Criminal Activity	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.
Voucher	A document issued by an HA to a family selected for to the housing voucher program. The voucher describes the program and the procedures for HA approval of a unit selected by the family. The voucher also states the obligation of the family under the program.
Voucher Holder	A family holding a voucher with unexpired search time.
Wage Earner	A person in a gainful activity who receives any wages. Said wages or pay covers all types of employee compensation including salaries, vacation allowances, tips, bonuses, commissions, and unemployment compensation. **The terms "Wage Earner" and "Worker" are used interchangeably.**
Waiting List Admission	An admission from the HA waiting list.
Welfare Assistance	Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments.
Gender Identity	Actual or perceived gender-related characteristics.
Sexual Orientation	Homosexuality, heterosexuality, or bisexuality.

Appendix "B"

Reasonable Accommodation

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Reasonable Accommodation

Introduction:

The Housing Authority of the City of Anniston, Alabama (HA) is committed to ensuring that its policies and procedures do not deny individuals with disabilities the opportunity to participate in, or benefit from, nor otherwise discriminate against individuals with disabilities, on the basis of disability, in connection with the operations of HA's programs, services and activities.

Therefore, if an individual with a disability requires an accommodation such as an accessible feature or modification to a HA policy, HA will provide such accommodation unless doing so would result in a fundamental alteration in the nature of the program; or an undue financial and administrative burden. In such a case, the HA will make another accommodation that would not result in a financial or administrative burden.
A reasonable accommodation is a change, modification, alteration, or adaptation in policy, procedure, practice, program, or facility that provides a qualified individual with a disability the opportunity to participate in, or benefit from, a program (housing or non-housing) or activity.

HA will post a copy of this Reasonable Accommodation Policy and Procedures in the Central Administrative

Offices located at 500 Glen Addie Ave., Anniston, Alabama 36201, on its website at www.annistonhousing.org and in the management office in each public housing development. In addition, individuals may obtain a copy of this Reasonable Accommodation Policy and Procedures, upon request, from the HA's Section 504/ADA Coordinator.

Legal Authority

The HA is subject to Federal civil rights laws and regulations. This Reasonable Accommodation Policy is based on the following statutes or regulations. See Section 504 of the Rehabilitation Act of 1973 (Section 504)1; Title II of the Americans with Disabilities Act of 1990 (ADA) 2; the Fair Housing Act of 1968, as amended (Fair Housing Act) 3; the Architectural Barriers Act of 19684, and the respective implementing regulations for each Act.

Monitoring and Enforcement

The HA's Section 504/ADA Coordinator (the Executive Director or his/her designee) is responsible for monitoring HA's compliance with this Policy. Individuals who have questions regarding this Policy, its interpretation or implementation should contact HA's Section 504/ADA Coordinator in writing, by telephone, or by appointment, as follows: 500 Glen Addie Ave., Anniston, Alabama 36201 Telephone Number: 256.236.1575 Facsimile Number_256.236.3981

1 29 U.S.C. § 794; 24 C.F.R. Part 8. 2 42 U.S.C. §§ 12101 et seq. 3 42 U.S.C. §§ 3601-20; 24 C.F.R. Part 100. 4 42 U.S.C. §§ 4151-4157.

Staff Training

The Section 504/ADA Coordinator (Executive Director or his/her designee) will ensure that all appropriate HA staff receive adequate training (ideally at least annually) on the Reasonable Accommodation Policy and Procedures, including all applicable Federal, state and local requirements regarding reasonable accommodation.

Reasonable Accommodation

A person with a disability may request a reasonable accommodation at any time during the application process, residency in public housing, or participation in the Housing Choice Voucher and Moderate Rehabilitation Programs of HA. The individual, HA staff or any person identified by the individual, must submit all requests in writing.

Reasonable accommodation methods or actions that may be appropriate for a particular program and individual may be found to be inappropriate for another program or individual. The decision to approve or deny a request for a reasonable accommodation is made on a case-by-case basis and takes into consideration the disability and the needs of the individual as well as the nature of the program or activity in which the individual seeks to participate.

Application of Reasonable Accommodation Policy

The Reasonable Accommodation Policy applies to individuals with disabilities in the following programs provided by the HA:

Applicants of public housing;

Applicants of all Housing Choice Voucher and Moderate Rehabilitation Programs;

Residents of public housing developments;

Participants of the Housing Choice Voucher and Moderate Rehabilitation Programs; and

Participants in all other programs or activities receiving Federal financial assistance that are conducted or sponsored by the HA, its agents or contractors including all non- housing facilities and common areas owned or operated by the HA.

Person With A Disability

A person with a disability means an individual who has a physical or mental impairment that substantially limits one or more major life activities. As used in this definition, the phrase "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

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" means functions such as caring for oneself, performing manual tasks, walking, seeing, hearing, speaking, breathing and learning.

The definition of disability does not include any individual who is an alcoholic whose current use of alcohol prevents the individual from participating in the public housing program, Housing Choice Voucher Program, Moderate Rehabilitation Program or activities; or whose participation, by reason of such current alcohol abuse, would constitute a direct threat to property or the safety of others.

Examples of Reasonable Accommodations

Examples of reasonable accommodations may include, but are not limited to:

A. Making a unit, part of a unit or public and common use element accessible for the head of household or a household member with a disability who is on the lease;

Permitting a family to have a service or assistance animal necessary to assist a family member with a disability;

Allowing a live-in aide to reside in an appropriately sized HA unit;

Transferring a resident to a larger size unit to provide a separate bedroom for a person with a disability;

Transferring a resident to a unit on a lower level or a unit that is completely on one level;

Making documents available in large type, computer disc or Braille;

Providing qualified sign language interpreters for applicant or resident meetings with HA staff; or at resident meetings;

Installing strobe type flashing lights and other such equipment for a family member with a hearing impairment;

Permitting an outside agency or family member to assist a resident or an applicant in meeting screening criteria or meeting essential lease obligations;

Permitting requests for extensions of Housing Choice Vouchers if there is a difficulty in locating a unit with suitable accessible features or otherwise appropriate for the family; and

As a reasonable accommodation for a family member with a disability, approving a request for exception payment standard amounts under the Housing Choice

Voucher Program in accordance with 24 C.F.R. §§ 8.28 and 982.504 (b)(2).

Processing of Reasonable Accommodation Requests

The HA will provide the "Request for Reasonable Accommodation", ("Request Form"), attached hereto, to all applicants, residents or individuals with disabilities who request reasonable accommodation. The Reasonable Accommodation Request Form includes various forms of reasonable accommodation as well as the general principles of reasonable accommodation.

Individuals may submit their reasonable accommodation request(s) in writing, orally, or by any other equally effective means of communication. However, the HA will ensure that all reasonable accommodation requests will be reduced to writing. If needed as reasonable accommodation, the HA will assist the individual in completing the Request Form.

A. The HA will provide all applicants with the Request Form as an attachment to the HA application. The Request for Reasonable Accommodation Form must be provided in an alternative format, upon request.

Reasonable Accommodations will be made for applicants during the application process. All applications must be taken in an accessible location. Applications will be made available in accessible formats. HA will provide applicants with appropriate auxiliary aids and services, including qualified sign language interpreters and readers, upon request.

HA will provide all residents with the Request Form during the annual re-certification upon request. The HA will provide the Request Form in an alternate form, upon request.

Residents seeking accommodation(s) may contact the housing management office, including the office of private management companies acting on behalf of HA, within their housing development or the Central Administrative Office. In addition, residents may also contact the Section 504/ADA Coordinator's office directly to request accommodation(s).

Within seven (7) business days of receipt, the housing management office, private management company, or regional management office will forward the resident's reasonable accommodation request(s) to the Office of the Section 504/ADA Coordinator.

Within twenty (20) business days of receipt, the Office of the Section 504/ADA Coordinator, or the resident's regional or management office will respond to the Resident's Request.

If additional information or documentation is required, the Section 504/ADA Coordinator's office will notify the resident, in writing, of the need for additional information or documentation. The Section 504/ADA Coordinator's Office will provide the resident with the "Request for Information or Verification Form", a copy of which is attached. The written notification should provide the resident with a reply date for submission of the outstanding information or documentation.

Within thirty (30) business days of receipt of the request and, if necessary, all supporting documentation, HA will provide written notification to the resident of its decision to approve or deny the resident's request(s). Upon request, the written notification will be provided in an alternate format. A copy of the "Letter Denying Request for Reasonable Accommodation(s) and "Letter Approving Request for Reasonable Accommodation(s)" are attached.

If HA approves the accommodation request(s), the resident will be notified of the projected date for implementation.

If the accommodation is denied, the resident will be notified of the reasons for denial. In addition, the notification of the denial will also provide the resident with information regarding HA's HUD-approved Grievance Procedures.

All recommendations that have been approved by the ADA/504 Coordinator will be forwarded to the appropriate housing manager for implementation. All requests for reasonable accommodation that are approved by the housing manager will promptly be implemented or begin the process of implementation.

Verification of Reasonable Accommodation Request

HA may request documentation of the need for Reasonable Accommodation as identified on the Request for Reasonable Accommodation Form. In addition, HA may request that the individual provide suggested reasonable accommodations. The HA may verify a person's disability only to the extent necessary to ensure that individuals who have requested reasonable accommodation have a disability-based need for the requested accommodation.

However, the HA may not require individuals to disclose confidential medical records in order to verify a disability. In addition, the HA may not require specific details regarding the individual's disability. The HA may only request documentation to confirm the disability- related need(s) for the requested reasonable accommodation(s). The HA may not require the individual to disclose the specific disability(ies); or the nature or extent of the individual's disability(ies).

The following may provide verification of a resident's disability and the need for the requested accommodation(s):

A. Physician;

Licensed health professional;

Professional representing a social service agency; or

Disability agency or clinic.

Upon receipt, the resident's Property Manager, including private management companies operating on behalf of HA, will forward the recommendation, including all supporting documentation, to the HA's Section 504/ADA Coordinator within seven (7) days of receipt.

Denial of Reasonable Accommodation Request(s)

Requested accommodations will not be approved if one of the following would occur as a result:

A. A violation of State and/or federal law;

A fundamental alteration in the nature of the HA public housing program;

An undue financial and administrative burden on HA;

A structurally infeasible alteration; or

An alteration requiring the removal or alteration of a load-bearing structural member.

Transfer as Reasonable Accommodation

HA shall not require a resident with a disability to accept a transfer in lieu of providing reasonable accommodation. However, if a public housing resident with a disability requests dwelling unit modifications that involve structural changes, including, but not limited to widening entrances, rooms, or hallways, and there is a vacant, comparable, appropriately sized UFAS-compliant unit in that resident's project or another project, HA may offer to transfer the resident to the vacant unit in his/her project or to another project in lieu of providing structural modifications. However, if that resident rejects the proffered transfer or voucher, HA shall make modifications to the resident's unit unless doing so would be structurally impracticable or would result in an undue financial and administrative burden. If the resident accepts the transfer, HA will work with the resident to obtain moving expenses from social service agencies or other similar sources. Nothing contained in this paragraph is intended to modify the terms of HA's Tenant and Assignment Plan and any resident's rights thereunder.

Housing Choice Voucher as Reasonable Accommodation

A. When issuing a voucher for an accommodation, HA must include a list of current available accessible units known to HA, upon request. HA will also provide search assistance. HA may also partner with a

qualified, local disability organization to assist the resident or applicant with the search for available, accessible housing. See 24 C.F.R. § 8.28.

Extensions are available as reasonable accommodation to eligible individuals with disabilities. These extensions are subject to documentation that a diligent effort to locate a unit has been conducted considering any impediments to searching because of a family member's disability.

HA may, if necessary, as a reasonable accommodation for an individual with a disability, approve a family's request for an exception payment standard amount under the Housing Choice Voucher Program so that the program is readily accessible to and usable by individuals with disabilities. See 24 C.F.R. §§ 8.28 and 982.504(b) (2).

Upon request by an applicant, participant, or their representative, HA will ask the HUD Field Office for an exception payment standard up to 120% of the Fair Market Rent (FMR). However, the applicant, participant or the representative, must provide documentation of the need for the exception payment standard to HA.

In exceptional cases, HA may ask the Assistant Secretary for Public and Indian Housing of HUD for an exception payment standard amount over 120% of the FMR, provided the applicant, participant or the representative provides the appropriate supporting documentation.

Service or Assistance Animals

Residents of HA with disabilities are permitted to have assistance animals, if such animals are necessary as a reasonable accommodation for their disabilities. HA residents or potential residents who need an assistance animal as a reasonable accommodation must request the accommodation in accordance with the reasonable accommodation policy. Assistance animals are not subject to the requirements of HA's Pet Policy.

Right to Appeal/Grievance Process

A. The public housing applicant or resident may file a complaint in accordance with HA's HUD-approved Grievance Procedure following a formal determination by the HA's ADA/504 Coordinator.

The Housing Choice Voucher and Moderate Rehabilitation Program participant and applicant complainant may file a complaint in accordance with HA's HUD Approved Grievance Procedure following a formal determination by the HA's ADA/504 Coordinator.

An applicant or resident may, at any time, exercise their right to appeal HA's decision through the local HUD office or the U.S. Department of Justice. Individuals may contact the local HUD office at:

U.S. Department of Housing and Urban Development
950 22nd St. N, Suite 900,
Birmingham, Alabama 35203
Telephone: 205-731-2630
Facsimile: 205-731-2502

Appendix "C"

RENT REASONABLENESS CERTIFICATION – HCV

Comparability Category	PROGRAM UNIT	COMPARABLE#1	COMPARABLE #2	COMPARABLE #3
Date data gathered				
Address				
Utility Allowance				
Gross Rent				
Census Tract				
Neighborhood				
Unit Type				
Number of bathrooms				
Number of bedrooms				
Wheelchair accessible				
Year built				
Date Recently Remodeled				
Quality				
Amenities :				
Central Air Conditioning				
Window Air Conditioning				
Carpeting				
Dishwasher				
Garbage Disposal				
Washer/dryer hookups				
Washer/dryer provided				
Other:				
Facilities (List)				
Playground				
Covered/garage parking				
Off-street parking				
Laundry facility				
Storage outside the unit				
Pool				
Community Room				
Day care				
Other:				
Services:				
On-site management				
Security Guard(s)				
Desk Service				
Security System				
On-site maintenance staff				
Other				
Nearest public transportation				

Nearest shopping				
Notes:				

I certify that based upon information available to this office, the requested Contract rent/ _____/is / _____/ is not reasonable in accordance with program requirement.

PHA: Anniston Housing Signature _____

Title _____ Date_____

Appendix "C"

RENT REASONABLENESS COMPARISON CHECKLIST – HCV

CATEGORY OF COMPARISON	PROGRAM UNIT	COMPARABLE#1	COMPARABLE #2	COMPARABLE #
Census Tract				
Neighborhood				
Number of bedrooms				
Published FMR				
Payment Standard				
Unit Type				
Number of bathrooms				
Square feet				
Location: Accessibility to Services (List)				
Quality				
Amenities (List)				
Facilities (List)				
Date Built				
Management and Maintenance Services (List)				
Rent to Owner				
Utility Allowance				
Gross Rent				

Notes on Comparability	XXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXX
Notes:				

I certify that based upon information available to thei office, the requested Contract rent/ _____/is / _____/ is not reasonable in accordance with program requirement.

PHA: Anniston Housing Signature _____

Title _____ Date_____

Appendix "D"

Limited English Proficiency LEP

Prohibition of Discrimination Against Limited English Proficiency Persons. This Appendix details the obligations of AHA to ensure meaningful access to the HCV program and its activities by persons with limited English proficiency (LEP). This part incorporates HUD's and the DOJ's Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published December 19, 2003, in the *Federal Register* ("Notice of Guidance").

IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY (LEP)

OVERVIEW

On December 19, 2003, HUD published guidance designed to assist housing authorities to comply with Title VI of the Civil Rights Act of 1964 (Title VI) and implementing regulations. Title VI, 42 U.S.C. § 2000d et seq., was enacted as part of the landmark Civil Rights Act of 1964. It prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance.

While most individuals living in the United States read, write, speak and understand English, there are many for whom English is not their primary language. If these individuals have a limited ability to read, write, speak or understand English, they are considered limited English proficient (LEP). 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 relevant to 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 Notice of Guidance to Federal Assistance Recipients Regarding Title VI Prohibition Affecting Limited English Proficient Persons, published December 19, 2003, in the *Federal Register*. Recipients of federal financial assistance are required to take reasonable steps to ensure meaningful access to their programs and activities by LEP persons and have an obligation to reduce language barriers that can preclude meaningful access by LEP persons to important government programs, services, and activities.

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 Administrative Plan, LEP persons are all HCV applicants and participants or their authorized representative (which could be their parents or other family members). The exception to this will be during times when any of the Section 8 wait lists are open or for outreach material that explains how to access the program. In these instances, LEP persons will include all potential applicants. In all cases, AHA will determine language services provided LEP populations based on data for the City of Anniston.

In order to determine the level of access needed by LEP persons who speak a particular language, AHA 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 HCV 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 AHA and costs. Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on the AHA.

PLAN ON LANGUAGE ASSISTANCE FOR NON-AND LIMITED ENGLISH-SPEAKING APPLICANTS AND PARTICIPANTS (LEP PLAN):

AHA adopts this LEP Plan to address the identified needs of the LEP populations served, or potentially served, by its programs. In compliance with federal guidelines, AHA shall make reasonable efforts to provide free language assistance for its LEP clients in all of its voucher programs so as to ensure that these persons have meaningful access to AHA programs and activities.

LEP POPULATIONS FOR WHICH AHA WILL PROVIDE LANGUAGE ASSISTANCE

AHA will make all reasonable efforts to assist clients with limited English proficiency in their primary language. AHA will utilize a tiered array of mechanisms to provide interpretation and translation services for clients.

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, AHA will provide translation services in accordance with AHA's LEP plan.

LANGUAGE ASSISTANCE MEASURES

Oral Interpretation

The AHA will utilize "I speak" flash cards to identify the language spoken by walk-in LEP clients. Once identified, AHA will utilize the Language Line phone service to assist walk-in clients. The use of Language Line will enable the Authority to provide assistance to walk-in clients in over 150 languages.

Where reasonable, oral interpretation is available for the following compulsory activities if requested by LEP clients prior to their appointment:

(1) Intake and Interview Process
(2) Applicant Review
(3) Voucher Briefing
(4) Participant Counseling Sessions
(5) Participant Hearings
(6) Annual and Interim Re-examinations
(7) Housing Quality Standards Inspections

Written Translation

Written Translation is the replacement of a written text from one language into an equivalent written text in another language. In order to comply with written translation obligations, AHA will

only translate those documents that are necessary to provide essential services. The documents will be revised as business needs change and AHA will accept recommendations from the City of Anniston concerning the need to translate certain documents. Oral interpreters will be utilized to translate any documents not translated into multiple languages.

NOTICE OF RIGHTS TO LANGUAGE ASSISTANCE

Multilingual signs or posters will be placed in common areas and offices to inform the public that AHA provides free interpretation services. Similar notices will also be placed in outreach materials published for the housing choice voucher program.

All notices and posters will be provided in the languages in which the Authority has committed to provide assistance. The Authority will also notify and, where possible, work with local schools and community and faith-based organizations that work with LEP groups in any outreach efforts.

MONITORING AND UPDATING THE LEP PLAN

AHA will review its LEP Plan at least annually when it updates its Annual Plan to determine its current effectiveness and any changes in LEP populations or needs.

Modifications to the plan will be based on:

1. Census data
2. Frequency of contact analysis of LEP clients and callers by staff.
3. If the current LEP Plan meets clients' needs.
4. If the Authority is meeting the LEP goals set forth in this and any other relevant documents.
5. Nature and importance of activities and information to LEP clients.
6. Availability of resources.
7. Whether identified sources for assistance are still available and viable.

Appendix "E"

VAWA

The Violence Against Women Reauthorization Act of 2013

The Violence Against Women Reauthorization Act of 2013 (VAWA) (Pub. L. 113-4, 127 Stat. 54) (VAWA 2013). VAWA 2013 reauthorizes and amends the Violence Against Women Act of 1994, as previously amended, (title IV, sec. 40001-40703 of Pub. L. 103-322, 42 U.S.C. 13925 *et seq.*). prohibits denial of admission to an otherwise qualified applicant on the basis that the applicant is or has been a victim of actual or threatened domestic violence, dating violence, sexual assault or stalking. Specifically, VAWA 2013 amendments to sections 6 and 8 of the U.S. Housing Act of 1937, which lists contract provisions and requirements for the housing choice voucher program.

That an applicant or participant is or has been a victim of actual or threatened domestic violence, dating violence, stalking or sexual assault is not an appropriate reason for denial of program assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission.

The provisions of VAWA 2013 that are applicable to HUD programs are found in title VI of VAWA 2013, which is entitled "Safe Homes for Victims of Domestic Violence, Dating Violence, Sexual Assault, and Stalking." Section 601 of VAWA 2013 amends subtitle N of VAWA (42 U.S.C. 14043e *et seq.*) to add a new chapter entitled "Housing Rights."

Definitions

As used in VAWA:

The term domestic violence includes 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 Alabama.

Alabama law defines *domestic violence* as abuse perpetrated against the victim by:

- The victim's spouse or former spouse.
- Someone the victim lives with or lived with in the past.
- Someone the victim is dating or has dated.
- Someone the victim has a child with.
- Someone to whom the victim is related by blood, marriage, or adoption (including, but not limited to, the victim's parent, grandparent, child, grandchild, brother, or sister).

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 *stalking* means:
To follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or

- Intimidate; and
- 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.

The term *affiliated individual* means, with respect to an individual:

- 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 individual living in the household of that individual and related to that person by blood and marriage.

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).

Notification and Victim Documentation

AHA acknowledges that a victim of domestic violence, dating violence, sexual assault or stalking may have an unfavorable history that would warrant denial under AHA's policies. Therefore, if AHA makes a determination to deny admission to an applicant family, AHA will include in its notice of denial a statement of the protection against denial provided by VAWA and will offer the applicant the opportunity to provide a statement or documentation affirming that domestic violence, dating violence, stalking or sexual assault played a role in causing the basis for ineligibility. In accordance with AHA'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.

An individual may satisfy the documentation request in any of the following ways:
1. Completing a HUD-approved certification form (such as Form HUD-50066) or signed statement verifying that the individual is a victim of domestic violence, dating violence, stalking or sexual assault, and that the incident or incidents in question are bona fide incidents of actual or threatened abuse. AHA will work with the victim to ensure that delivery of the certification form does not endanger the victim's safety. OR

2. Providing the requesting owner, manager, or AHA with documentation signed by any of the following third parties: (a) an employee, agent, or volunteer of a victim service provider; (b) an attorney; (c) a medical professional; or (d) other knowledgeable professional. The person signing the documentation must have assisted the victim in addressing domestic violence, dating violence, stalking or sexual assault, or the effects of the abuse. The person signing the documentation must attest under penalty of perjury to his or her belief that the incident or incidents in question are bona fide incidents of abuse. The victim of domestic violence, dating violence, stalking or sexual assault must also sign the documentation. OR

3. Producing a Federal, State, tribal, territorial, or local police or court record. The applicant may submit the requested documentation with her or his request for an informal review or request an extension in writing at that time. If the applicant so requests, the PHA will grant an extension of 10 business days and will postpone scheduling the applicant's informal review until after it has received the documentation, or the extension period has elapsed. If after reviewing the documentation provided by the applicant AHA determines the family is eligible for assistance, no informal review will be scheduled and the PHA will proceed with admission of the applicant family.

Nothing in this Plan shall be construed to require the PHA to demand that an individual produce official documentation or physical proof of the individual's status as a victim of domestic violence, dating violence, stalking or sexual assault in order to receive any of the benefits provided in this section. At their discretion, the PHA may provide benefits to an individual based solely on the individual's statement or other corroborating evidence.

- **EMERGENCY TRANSFERS**

- Under the posted VAWA 2013 information, HUD specifies that the resident (victim) can be granted a transfer only if the resident requests a transfer, and either the resident reasonably believes he or she is threatened with imminent harm from further violence if he or she remains in the unit or, if the resident is a sexual assault victim, the sexual assault occurred on the premises during the 90-day period preceding the transfer request. Any transfer is subject to the availability of other assisted housing and subject to all other HUD requirements being met. In addition, VAWA 2013 requires HUD to establish policies and procedures under which victims of abuse requesting an emergency transfer may receive, subject to the availability of tenant protection vouchers, assistance through the tenant-based section 8 program.

Perpetrator Removal or Documentation of Rehabilitation

In cases where an applicant family includes the perpetrator as well as the victim of domestic violence, dating violence, stalking or sexual assault, AHA will proceed as above but will require, in addition, either (a) that the perpetrator be removed from the applicant household and not reside in the assisted housing unit or (b) that the family provide documentation that the perpetrator has successfully completed, or is successfully undergoing, rehabilitation or treatment.

If the family elects the second option, 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. This additional documentation must be submitted within the same time frame as the documentation required above from the victim.

PROHIBITION AGAINST TERMINATING THE ASSISTANCE OF DOMESTIC VIOLENCE, DATING VIOLENCE, STALKING AND SEXUAL ASSAULT

The Violence Against Women Reauthorization Act of 2013 (VAWA) provides that "criminal activity directly relating to domestic violence, dating violence, stalking or sexual assault, engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be a cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that domestic violence, dating violence, stalking or sexual assault."

VAWA also gives PHAs the 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 evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant."
Prior to terminating assistance based on any of the "Other Authorized Reasons for Termination of Assistance" the PHA shall consider, whether domestic violence, dating violence, sexual assault or stalking played a role in causing the basis for termination. Furthermore, an individual who is or has been a victim of domestic violence, dating violence, sexual assault or stalking should not be held to a more demanding standard than other tenants in determining whether to terminate assistance. Nothing in this Plan may be construed to limit the authority of the PHA to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up.

Victim Documentation

All termination notices will notify participants of VAWA's protections, and that they may seek an informal hearing if they believe that the termination is based on acts of domestic violence, dating violence, sexual assault or stalking committed against them. In accordance with AHA'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.

When a participant is facing assistance termination and asserts that the termination is directly related to acts of domestic violence, dating violence, sexual assault or stalking committed against the participant or an immediate family member of the participant, AHA may request that a participant submit documentation affirming that claim. AHA's request for such documentation shall be in writing.

An individual may satisfy the documentation request in any of the following ways:

- Completing a HUD-approved certification form (such as Form HUD-50066) or signed statement verifying that the individual is a victim of domestic violence, dating violence, sexual assault or stalking, and that the incident or incidents in question are bona fide incidents of actual or threatened abuse. AHA will work with the victim to ensure that delivery of the certification form does not endanger the victim's safety. OR

- Providing the requesting owner, manager, or AHA with documentation signed by any of the following third parties: (a) an employee, agent, or volunteer of a victim service provider; (b) an attorney; (c) a medical professional; or (d) other knowledgeable professional. The person signing the documentation must have assisted the victim in addressing domestic violence, dating violence, sexual assault or stalking, or the effects of the abuse. The person signing the documentation must attest under penalty of perjury to his or her belief that the incident or incidents in question are bona fide incidents of abuse. The victim of domestic violence, dating violence, sexual assault or stalking must also sign the documentation. OR

- Producing a Federal, State, tribal, territorial, or local police or court record. The requested certification and supporting documentation must be submitted to AHA within 14 business days (i.e., Saturdays, Sundays, and holidays do not count) after the AHA issues their written request. The 14-business-day deadline may be extended at the AHA's discretion. If the individual does not provide the required certification and supporting documentation within 14 business days, or the approved extension period, the AHA may proceed with assistance termination or, with respect to any specific case, waive the above-stated provisions.

Nothing in this subsection shall be construed to require the owner, manager or public housing agency to demand that an individual produce official documentation or physical proof of the individual's status as a victim of domestic violence, dating violence, sexual assault or stalking in order to receive any of the benefits provided in this section. At their discretion, the owner, manager or public housing agency may provide benefits to an individual based solely on the individual's statement or other corroborating evidence.

Actual and Imminent Threat
Nothing in this Plan limits the authority of the AHA to terminate the assistance of any occupant who can be demonstrated to pose an actual or imminent threat to other tenants or the property's employees.

Terminating the Assistance of a Domestic Violence Perpetrator
Although VAWA provides assistance termination protection for victims of domestic violence, it does not provide protection for perpetrators. VAWA gives the AHA 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." 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.

When the actions of a participant or other family member result in an AHA decision to terminate the family's assistance and another family member claims that the actions involve criminal acts of physical violence against family members or others, AHA may request that the victim submit the above specified documentation in accordance with the stated time frame. If the documentation is submitted within the required time frame, or any approved extension period, AHA will terminate the perpetrator's assistance. If the victim does not provide the requested documentation and AHA does not waive that request, AHA may proceed with termination of the family's assistance. When rent for a Section 8 unit has previously been determined based on the income of an abusive family member who has left the household or been excluded from the household by a domestic violence restraining order or injunction or other court order, rent for the unit will be adjusted to reflect the household's changed circumstances.

AHA Confidentiality Requirements
If because of safety concerns a victim of domestic violence, dating violence, sexual assault or stalking is unwilling or unable to provide information or identification ordinarily required to confirm eligibility, efforts will be made to otherwise establish eligibility and alternative sources and methods of verification will be accepted.

All information provided to the AHA 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 and may neither be entered into any shared data base nor provided to any related entity, except to the extent that the disclosure (a) is requested or consented to by the individual in writing, (b) is required for use in an eviction proceeding, or (c) is otherwise required by applicable law. If disclosure is required for use in an eviction proceeding or is otherwise required by applicable law, the AHA will inform the victim before disclosure occurs so that safety risks can be identified. If disclosure of the information would place the victim's safety at risk, the AHA will work with the victim to determine whether there are alternatives to disclosure.

Appendix "F"

Project Based Voucher Program

SECTION 8 PROJECT-BASED VOUCHER PROGRAM

A. Statement of Section 8 Project-Based Voucher Program Goal and Approach
   1. Statement of Section 8 Project-Based Voucher Program (PBV) goal is designed to accomplish two major objectives for the PHA:
      a. To increase the supply of assisted rental housing for eligible individual families; and Anniston Housing Authority Housing Choice Voucher Administration Plan
      b. To improve the efficiency and utilization of the Section 8 Housing Choice Voucher Program.
   2. In order to facilitate the administration of the PVB Program and to develop a system of checks and balances, the follow will occur:
      a. The PHA will administer the PBV program for up to 20% of the amount of budget authority allocated to the PHA by HUD in the PHA's HCV program.
      b. The waiting list team will be responsible for processing applicants as well as administering the waiting list; and
      c. The HCV/Section 8 Department will be responsible for housing the eligible qualified applicants and will continue to administer the PBV program for the duration of the housing assistance payment contract with the owner.

B. Public Notice, Owner Proposal Submission Requirements and Site Selection Policy (24 CFR 983.51)
   1. General
      Both selection methods described in 24 CFR 983.51(b) will be considered to determine which method best meets the needs of the PHA.
   2. Public Notice Requirements
      a. If the PHA selects the proposal method of proposals that have not been through a competition pursuant to 983.51(b), it will publish a Public Notice of Agency Request for PBV Proposals.
      b. This notice will be published in the newspaper with the widest general circulation in the PHA jurisdiction.
      c. This notice may include but not necessarily be limited to the following:
         1) A request for PBV proposal
         2) Contract information to request a proposal submission package
         3) The addresses to send the proposal
         4) A statement that the submission package contains all required details and only proposals submitted using the submission package will be considered and
         5) The time and date proposals are to be received.
      e. The Public Notice will be published once each week for three (3) consecutive weeks;
      f. The deadlines for receipt of proposals will be at least30 calendar days from the publication date of the last public notice.

g. The public notice may specify the estimated amount of housing assistance payment/ACC units that may be available.
h. The PHA will maintain a log of the name and address of interested parties to whom submission packages are sent or by whom submission packages are picked up at the main office, the date of the request and the date the packages are mailed or picked up.
i. Submission packages that are not picked up shall be sent by first class mail no later than two (2) calendar days after receiving the request.
j. The PHA will maintain a list of proposals received and the date they are received.
k. The outside of the envelope or package will be dated and time stamped.
l. The PHA may hold a briefing for potential applicants. The date, time and location of the briefing are to be provided in the Public Notice.

3. Owner Proposal Submission Requirements
   a. A proposal package will be prepared and provided to interested parties upon request.
   b. This package may include at least:
      1) Detailed information required to be included in the proposal.
      2) Selection evaluation factors.
      3) Instructions to mark the outside of the proposal with the words "PBV Proposal" in the lower left-hand corner of the envelope or package.
   c. As appropriate the PHA may select what items are to be included in a PBV proposal and list these items in the PBV Proposal Submission Package from the following items:
      1) A description of the housing to be constructed or rehabilitated, including:
         a) The number of units by size (square footage)
         b) Bedroom count
         c) Bathroom count
         d) Sketches of the proposed new construction or rehabilitation
         e) Unit plans
         f) Listing of amenities and services and
         g) Estimated date of completion
         h) For rehabilitation, the description must describe the property as is and must also describe the proposed rehabilitation
      2) Evidence of site control
4. For new construction, identification and description of the proposed site, site plan, and neighborhood
5. Evidence the proposed new construction or rehabilitation is permitted by current zoning or regulations, or evidence to indicate the needed re-zoning is likely and will not delay the project
6. Proposed contract rent per unit, including:
   a) Indication of utilities, services and equipment included in rent
   b) Indication of utilities, services and equipment not included, and
   c) For utilities not included, estimated monthly average cost for each unit type for the first year of occupancy.
7. A statement identifying:
   a) The number of persons (families, individuals, businesses and non-profit organizations) occupying the property on application submission date
   b) Number of persons to be displaced, temporarily relocated or moved permanently within the building or complex

c) Estimated cost of relocation payments and services, and the sources of funding
d) The organization(s) that will carry out the relocation activities
e) Identify the owner and other project principals and the names of officers and principal members, shareholders, investors and other parties having a substantial interest
f) Certification showing the above-mentioned parties are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs
g) Disclosure of any possible conflict of interest by any of the parties that would be in violation of the Agreement to enter a HAP Contract or the HAP Contract itself
h) Any information on the qualifications and experience of the principal participants
i) The owners plan for managing and maintaining the units
j) Evidence of financing or lender interest and the proposed terms of financing
k) Documentation that site is free from environmental or safety hazards
l) Documentation that site is not on a 100-year Flood Plan or does not involve a historic property, and
m) Statement the rehabilitation is or is not being undertaken in areas targeted for revitalization.

Site Selection Policy

The site selection policy and procedures herein promote the PBV goals by ensuring the supply of assisted rental housing is expanded while being in compliance with the HCV/Section 8 Project-Based Voucher Program Final Rule.

a. A three (3) member team of the PHA staff will review, evaluate and recommend a proposal. Proposals will not be opened until after the submission deadline.
b. The PHA is under no obligation to award a PBV to any proposal received.
c. As appropriate the Executive Director shall recommend a proposal to the Board of Commissioners (Board), subject to the proposed site passing environmental. Review requirements at 24 CFR 983.58.
d. The agency will establish written evaluation criteria. The evaluation will be in two (2) steps?

1) Proposals must first meet written qualifying factors required in a HUD regulation or a HUD notice. Proposals not meeting the qualifying factors will not be evaluated/rated in the second tier. A qualifying factor review for each item and the signature of the person performing the review. The October 15, 2005, Project Based Voucher Program lists the following factors:
   a) The proposal was received by the deadline.
   b) The property is eligible housing (24 CFR sections 983.53 and 983.54). The PHA will confirm the proposed units are not part of the list of prohibited units.
   c) The proposal complies with the cap on the number of PBV units per building (24 CFR section 983.56)
   d) The proposal meets the Site Selection standards (24 CFR 983.57)
   e) The proposal meets zoning requirements
   f) The site is consistent with the goal of deconcentrating poverty and expanding housing opportunity pursuant to elements listed at 24 CFR section 983.57 (b)(1). The PHA will use a form to document that each of the seven (7) items listed were considered.
   g) The site facilities compliance with Civil Rights Requirements listed at 24 CFR section 983.57 (b)(2).

h) The site meets HQS (REAC/INSPIRE) site standards at 24 CFR 982.401(1).
i) If needed, the proposal passes the HUD subsidy layering review pursuant to 24 CFR 983.55.

2) Proposals meeting all qualifying factors are then evaluated based upon the PHA's Evaluation Selection Criteria:
   a) The Evaluation Selection Criteria will be consistent with HUD regulations and guidelines, including 24 CFR 983.57 (d) and (e).
   b) The criteria will be written and adopted by the Board prior to the first Public Notice.
   c) Each criteria will be assigned a maximum point value indicative of its relative importance.
   d) An Evaluation Selection Criteria rating sheet will be prepared, listing each criteria, the maximum points, the points awarded for each criteria, the total points awarded, voluntary comments, the name of the reviewer and the date of the review.
   e) Each proposal will be independently rated by each evaluator over the same period of time.
   f) The evaluation team may meet to determine a recommendation.
   g) The agency is not obligated to select the highest rated proposal if a reasonable explanation can be provided to the Board.
   h) If appropriate, the PHA quality and design requirements in addition to HQS/REAC/INSPIRE pursuant to 24 CFR 983.100(e) may be included as a rating factor.
   i) The results of pre-selection inspection of existing units pursuant to 24 CFR 983.103(a) will be evaluation/rating factor if existing units are being considered.
   j) Evidence of financial commitment as compared to construction/rehabilitation cost and debt service may be a rating factor.
   k) An operation cash flow projection may be a rating factor.
   l) A written Management Plan describing how the owner will fulfill the occupancy and maintenance requirements may be a rating factor.
3) For proposals with omissions or discrepancies, applicants will be notified by letter and will be allowed 10 calendar days to correct or complete the proposal. If the correction of additional requested information is not received by the deadline, the proposal will be considered incomplete and rejected.
4) Within seven (7) calendar days of Board approval, the PHA will provide written notification of the selected proposal(s) to all parties submitting a proposal.
5) Within 14 calendar days of Board approval, the PHA will publish a Public Notice announcing the parties selected to receive PBV in the same newspaper in which the Public Notice of Agency Request for PBV Proposals was published.
6) If the PHA has any direct or indirect interest in selected proposals, the PHA will request the selection process be reviewed by the local HUD Field Office or HUD approved independent entity, to determine the proposal was appropriately selected based on the selection procedures specified in the PHA HCV/Section 8 Administrative Plan. The requirements at 24 CFR 983.59 for independent entity to Anniston Housing Authority Housing Choice Voucher Administrative Plan perform the inspection, reasonable rent determination and determination of initial occupant rent shall be followed.

7) Documentation regarding the basis for the proposal selection will be made available at the Executive Director's office under the control of an assistant to the Executive Director for at least three (3) years from the date the Board approved the proposal.

C. Housing Type

1. The PHA retains discretion to determine which housing type to select among the eligible housing types. However, the PHA resumes the right not to provide PBV assistance to Excepted units pursuant to 24 CFR 983.56(c)(2). Depending on the PHA's needs, particular housing types may receive points in the proposal evaluation/rating process.

D. Excepted Units for Elderly, Disabled and Supportive Services Families

1. Excepted units may be part of the PBV contract and are not to be counted toward the cap on the number of PBV units in a building. However, the PHA reserves the right to not provide PBV assistance to Excepted units, pursuant to 24 CFR 983.56(c)(2).
2. Excepted units must be used for a "Qualifying" family.
3. The PHA may consider the following families as "Qualifying" families:
    a. Elderly or disabled families
    b. Families receiving any type of supportive services from an accredited source and receiving any level of supportive services
    c. The services do not need to be provided at the project
    d. If supportive services are discontinued the family shall continue to be a "Qualified" family as long as the family resides in the unit
    e. If the family vacates the unit, the unit shall remain as "Excepted" if it is re-rented to another "Qualifying" family
    f. The PHA shall monitor the family's participation in supportive services once each year as part of the annual reexamination of the family. The family shall provide a third-party verification to document participation in supportive services.
    g. If the family does not fulfill its obligations under a family self-sufficiency or similar program, the PHA reserves the right to take or not to take any action, pursuant to 24 CFR 983.201 and other parts of this Administrative Plan
    h. The PHA reserves the right to place a cap less than 25% on the number of units receiving PBV or other project-based assistance in a building with "Excepted" units

A. New Construction or Rehabilitation

If an owner is proposing to pledge the HAP Contract as security for financing, the owner must submit the financing document to the PHA for review. In determining approvability of the pledge arrangement, the PHA must ensure that the financing documents do not modify the contract and do not contain any requirements inconsistent with the contract. Any contract must be limited to amount payable under the contract in accordance with the terms of the contract.

E PBV Housing Assistance Payments Contract (HAP) Process for Rehabilitation or Newly Constructed Units

1. The PHA and the owner will enter into an Agreement to enter into a HAP Contract (AHAP) for Project-Based Voucher provided by HUD.
2. "Timely Completion" of the development shall be defined in the AHAP.
3. If the development work is not completed (i.e. occupying permit being issued) within the timely completion period, the PHA reserves the right to either terminate the AHAP or provide and extension to the timely completion period.
4. The PHA may, as needed, determine the acceptability of work drawings and specifications and require additional drawings and specifications in the work description section of the AHAP.
5. The AHAP cannot be executed until after the PHA receives approval of the Subsidy Layering Review (if needed) and approval of the Environmental Review.
6. After receiving the approval in item 5 (above), the AHAP shall be executed within 30 calendar days.
7. The AHAP will clearly describe the required evidence of completion that will be provided by the owner.
8. The PHA will review all evidence of completion and either approve or require additional evidence.
9. The PHA will use the HUD issued Project-Based Voucher Housing Assistance payments (HAP) contract.
10. For existing housing, the HAP contract shall be executed within 14 calendar days after the units and building pass HQS/REAC/INSPIRE inspection.
11. For newly contracted or rehabilitation housing, the HAP contract will be executed 14 calendar days after:
    a. The PHA has inspected the completed units and building and determined the development work was completed pursuant to the AHAP;
    b. The owner has submitted all required evidence of completion; and
    c. The PHA has accepted the evidence of completion.
12. The term of the HAP Contract will be for 10 years unless there is a documented and compelling reason for a lesser term of not less than one (1) year.

F. Conduct of Development Work

1. If needed, the PHA shall monitor Davis-Bacon wage requirements bi-weekly.
2. The PHA will maintain adequate documentation in an easily audited format for all items required to be monitored per the AHAP.
3. The PHA will provide a Documentation of Completion Certification to the owner pursuant with 24 CFR 983.155.

G. Extension of HAP Contract

1. The HAP Contract may be extended for terms of up to 15 years if deemed appropriate by the PHA.
2. 2.When determining appropriateness for a HAP Contract extension, the PHA may consider:
    a. The owner's history of compliance with the HAP Contract;
    b. The owner's history of properly screening clients and enforcing the lease;

c. The PBV units can still be properly supported by the PHA Five-Year and Annual Plan or other documented community needs; and
d. The PHA determines that PBV is still the best use of the HCV Program budget authority.

H. Substitution and Addition of Contract Units
1. When considering the substitution of a contract unit, in addition to the substitute unit meeting HQS/REAC/INSPIRE, the PHA may take into consideration:
   a. A request for reasonable accommodation;
   b. Changes in the condition or use of units in the building;
   c. A resulting improvement in program or building management; and
   d. Other reasonable justifications.
2. When adding units to the PBV HAP Contract during the first three (3) years of the Contract, the PHA may take into consideration:
   a. The regulatory limits per building and 20% of ACC units;
   b. A request for reasonable accommodation;
   c. Changes in the condition or use of units in the building;
   d. A resulting improvement in program or building management; and
   e. Other reasonable justifications.

I. Condition of Contract Unit
1. When determining the need for additional HQS/REAC/INSPIRE requirements, the following items may be considered:
   a. Assurance of continued compliance with any design, architecture or quality requirements listed in the AHAP or HAP Contract; and
   b. Request for reasonable accommodation.
2. Additional HQS/REAC/INSPIRE requirements are located in the HQS section of this HCV/Section 8 Administrative Plan.

J. Management
1. Owner Responsibilities
   a. The owner shall develop a written management plan that will be reviewed by the PHA during the proposal evaluation/rating process.
   b. The PHA will review the owner's compliance performance with the HAP Contract on or about the anniversary date of the contract.
   c. The owner shall appropriately screen applicants referred by the PHA.
   d. Provide the PHA with a copy of any termination of tenancy notifications on the following day.
   e. Offer vacant, accessible units to a family with one or more members with a disability requiring accessibility features of the vacant unit.
2. Waiting List and Selection for Participation
   a. The PHA HCV will establish a separate waiting list for each PBV project unless increased efficiency can be achieved by having the same waiting list for two or more PBV developments.
   b. All applicants of the appropriate bedroom size(s) on the HCV/Section 8 Program will have the opportunity to be placed on the PBV waiting list when it is first established.

c. Applicants who pass the HUD required HCV/Section 8 Program screening will be referred to the Owner.
d. The PHA may place families referred by the Owner of the project-based voucher units on its PBV waiting list. Families will be referred to housing units from the waiting list.
e. Concerning Income Targeting, in any fiscal year, not less than 75% of families admitted to the combined tenant-based and Project-Based Voucher Program should be extremely low-income families.
f. PBV units will not remain vacant for an excessive period of time to meet the Income Targeting percentage.

3. Filing Vacant Units
a. When the Owner notifies the PHA of vacancies in the PBV units, the PHA will refer to the Owner one or more families of the appropriate size on the waiting list. A family that refuses the offer of a unit with Project-Based assistance will maintain its place on the waiting list.
b. The Owner must notify the PHA within two (2) calendar days of learning of a vacancy.
c. The Owner will confirm occupancy, usually through rent payment, once each month.
d. The PHA will refer applicants to the Owner within five (5) calendar days after receiving notice of vacancies. Such referral shall be in the form of providing the Owner with a copy of the HCV/Section 8 voucher and a copy will be retained with the application.
e. The Owner must rent all vacant units to eligible families referred by the PHA from its waiting list. The PHA will determine eligibility for participation in accordance with HUD requirements.
f. If the PHA does not refer a sufficient number of interested applicants on the PHA waiting list to the Owner within 30 calendar days of the Owners' notification to the PHA of a vacancy, the Owner may advertise for or solicit applications from eligible very low-income families. The Owner must refer these applicants to the PHA to determine final eligibility.
g. The Owner shall notify rejected applicants within three (3) calendar day of the decision in writing with a copy to the PHA.

4. Briefing the Family
Within seven (7) calendar days after accepting PBV, the PHA will provide an oral briefing and a written briefing packet pursuant to 24 CFR 983.252.

K. Overcrowded, Under-Occupied, and Accessible Units
The PHA's subsidy standards apply to the PBV program and will determine the appropriate unit size for the family size and composition.
1. If the PHA determines that family is occupying a wrong-size unit (overcrowded or underoccupied) or a unit with accessibility features that the family does not require and the unit is needed by a family that requires accessibility features, the PHA will promptly notify the Owner of this determination and offer the family continued assistance in the form of:
a. PBV assistance in an appropriate-size unit, in the same project or in another project;
b. Other project-based housing assistance (e.g., by occupancy of a public housing unit);
c. Tenant-based rental assistance under the HCV program; or

d. Other comparable public or private tenant-based assistance (e.g., under the HOME program).

2. Termination of Housing Assistance Payment
   a. If the PHA offers the family the opportunity to receive Tenant-based rental assistance under the HCV/Section 8 program, the PHA must terminate HAP payment for a wrong-sized or accessible unit:
      1) At the earlier of the expiration of the term of the family's voucher (including any extension granted by the PHA), or
      2) The date upon which the family vacates the unit;
      3) If the family does not move out of the wrong-sized unit or accessible unit by the expiration of the date of the term of the family's voucher, the PHA must remove the unit from the HAP Contract.
   b. If the PHA offers the family the opportunity for another form of continued housing assistance, not in the tenant-based voucher program, and the family does not accept the offer, does not move out of the PBV unit within a reasonable time as determined by the PHA, or both, the PHA will terminate the housing assistance payment for the wrong-sized or accessible unit at the expiration of a reasonable period as determined by the PHA and remove the unit from the HAP Contract.

L. Reduction of Number of Units Covered by HAP Contract
   1. Owners must lease all assisted units under HAP Contract to eligible families. Leasing of vacant units to ineligible tenants is a violation of the HAP Contract and grounds for all available legal remedies including suspension or debarment from HUD contracts and reducing the number of contact units.
   2. The PHA may reduce the number of units if a unit is a vacant for 120 days since Notice of Vacancy from the Owner to the PHA and the PHA has made good faith efforts to refer applicant to Owner.
   3. Restoration: The PHA will agree to an amendment of the HAP Contract to provide subsequent restoration of any reduction made, if:
      a. The PHA determines that the reduction is justified by demand;
      b. The Owner otherwise has a record of compliance with obligation under the HAP Contract; and
      c. Contract authority is available.

M. Maintenance and Inspections
   1. The Owner must provide all services, maintenance and utilities as agreed under the HAP Contract, subject to abatement of housing assistance payments or other applicable remedies if the Owner fails to meet these obligations.
   2. The PHA will inspect 100% of the PBV units under contract at least annually and at other times as may necessary to assure the Owner is meeting the obligations to maintain the units in decent, safe and sanitary condition and to provide the agreed upon utilities and services.
   3. If the PHA notifies the Owner the unit(s) under contract are not in decent, safe and sanitary condition and the Owner fails to take corrective actions within the time prescribed in the notice, the PHA may exercise any or all of its rights or remedies under the HAP Contract, including abatement of the housing assistance payment or termination of the HAP Contract.

N Rent and Housing Assistance Payments

1. The Owner will not charge more than one (1) month's rent as a security deposit and will not charge a security deposit that is higher than non-subsidized units.
2. The PHA will maintain documents to clearly justify the determination or rent to Owner pursuant 24 CFR 983.301.
3. Rent Adjustments
   a. If the Owner wishes a rent increase, the Owner must request a rent increase by written notice to the PHA at least 90 days before the HAP Contract anniversary date.
   b. To be eligible for an increase, the Owner must comply with all requirements of the HAP Contract, including HQS/REAC/INSPIRE for all contract units.
   c. The adjusted rent will be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted local market.
4. Special Rent Adjustments
   a. A special rent adjustment may be approved only to reflect increases in the actual and necessary cost of owning and maintaining the contract units due to substantial and general increases in:
      1) Real Property taxes;
      2) Special governmental assessments;
      3) Cost of utilities not covered by regulated rates.
   b. The Owner must submit financial information, as requested by the PHA, that supports the request for a special adjustment.
5. Owner Certification of Rent
   By accepting each monthly housing assistance payment form the PHA, the Owner certifies that the rent to Owner is not more than rent charged by the Owner for comparable unassisted units in the premises.
6. Reasonable Rent
   a. The PHA will not enter into an agreement or HAP Contract until it is determined the initial rent to the owner is a reasonable rent in comparison to rent for other comparable unassisted units. To make this determination the PHA will consider:
      1) The location, quality, size, unit type, and age of the contract unit; and
      2) Any amenities, housing services, maintenance and utilities to be provided by the Owner in accordance with the lease.
   b. The initial rent to the Owner for a unit may not exceed the reasonable rent as determined by the PHA in accordance with 24 CFR 983.
7. FMR/Exception Rent Limit
   The initial gross rent for the unit shall not exceed 110% of the established Fair Market Rent on the date the Agreement to enter into a HAP Contract is executed. The FMR/exception rent is determined by the PHA in accordance with 24 CFR 982.504.

O. Rental Assistance Demonstration – RAD
Significant Amendment 2019 Fact Sheet

RAD-Specific Significant Amendment to the PHA Plans

The Anniston Housing Authority is amended its Annual Plan, ACOP, HCV Administration Plan and/or 5-year PHA Plan because it was a successful applicant in the U.S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. Presently, the Authority will be converting four public housing communities to the RAD program. Conversion of assistance under RAD is considered a Significant Amendment to the Authority's Annual/5 year Plan.

Key Points of RAD Conversation

Right to Return. Any resident that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Where the transfer of assistance to a new site is warranted and approved residents of the converting project will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete.

No Re-screening of Tenants upon Conversion. At conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as an assisted unit.

Under-Occupied Unit. If a family is in an under-occupied at the time of conversion, the family may remain in this unit until an appropriate-sized unit become available in the covered Project. When an appropriate-sized unit becomes available in the covered Project, the family living in the under-occupied unit must move to the appropriate-sized unit within a reasonable period of time.

Renewal of Lease. The PHA will renew all leases upon lease expiration.

Phase-in of Tenant Rent Increases. If a tenant's monthly rent increases by more than the greater of 10% of $25 purely as a result of conversion. The rent increase will be phased in over 3 years.

Public Housing Family Self Sufficiency (PH FSS). Public Housing residents that are current FSS participants will continue to be eligible for FSS.

Grievance Process. The hearing procedures for Project-Based Voucher (PBV) and PBV clients converted under RAD are outlined in the Anniston Housing Authority HCV Administrative Plan.

Earned Income Disregard (EID). Tenants who are employed and are currently receiving the EID exclusion at the time of conversion will continue to receive the EID after conversion.

RAD-Specific Significant Amendment to the PHA Plan

Narrative

The Anniston Housing Authority amended its Annual PHA Plan and/or 5-year PHA Plan because it was a successful applicant in the U.S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program. Presently, the Authority will be converting public housing units described below to RAD Project-Based Voucher assisted units under the guidelines of OIH Notice 2012-32 (HA), REV-3 (Issued January 12, 2017) and any successor Notices. Conversion of assistance under RAD is considered a Significant Amendment to the Authority's Annual and/or Five Year Plan.

Upon conversion to RAD Project-Based Vouchers, the Authority will adopt the resident rights, participation, waiting list and grievance procedures listed in Section 1.6 of PIH Notice 2012-32 (HA), REV-3, Attachment 1B of the Notice and the Hoint Housing/PIH Notice H-2014-09/PIH-2014-17. These resident rights, participation, waiting list and grievance procedures are further listed below.

Additionally, the Authority is currently compliant with all fair housing and civil rights requirements. This RAD conversion complies with all applicable site selection and neighborhood reviews standards and all appropriate procedures have been followed.

RAD was designed by HUD to assist in addressing the capital needs of public housing by providing the Authority with access to private sources of capital to repair and preserve its affordable housing assets. Please be aware that upon conversion, the Authority's Capital Fund Budget will be reduced by the pro rata share of Public Housing Developments converted as part of the Demonstration, and that the Authority may also borrow funds to address their capital needs. The Authority currently does not have debt under an Energy Performance Contract.

1. A description of the units to converted.

AMP	SITES	TYPE	0BR	1BR	2BR	3BR	4BR	5BR	TOTAL
AL004000003A	Barber Terrace	Family	0	12	22	22	4	0	60

2. Any change in the number of units that is proposed as part of the conversion.
   a. De minimis unit reductions – **none**.
   b. Unit reductions that are exempt from the de minimis cap – **none**.
   c. Any change in the bedroom distribution of units that is proposed as part of the conversion – Barber Terrace – see the following chart:

Conversion change to Barber Terrace:

AMP	SITES	TYPE	0BR	1BR	2BR	3BR	4BR	5BR	TOTAL
AL004000003A	Barber Terrace	Family	0	12	22	22	4	0	60

New unit mix:

AMP	SITES	TYPE	0BR	1BR	2BR	3BR	4BR	5BR	TOTAL
AL004000003A	Barber Terrace	Family	0	18	24	16	4	0	60

3. Changes in the policies that govern eligibility, admission, selection, and occupancy of units at the project after it has been converted.

Converting to Project-Based Vouchers (PBV). Currently used waiting list preferences used for public housing will continue for all covered projects. Resident rights and participation, tenant protections for residents stated in Section 1.6, Attachment 1B of this RAD Notice Revision 3 and the Joint Housing/PIH Notice H-2014-09/PIH2014-17 will all be adhered to. Specifically:

1. **Right to Return.** Any resident that may need to be temporarily relocated to facilitate rehabilitation or construction will have a right to return to an assisted unit at the development once rehabilitation or construction is completed. Permanent involuntary displacement of residents may not occur as a result of a project's conversion of assistance, including, but not limited to, as a result of a change in bedroom distribution, a reduction of units, or the reconfiguration of apartments. Where the transfer of assistance to a new site is warranted and approved residents of the converting project will have the right to reside in an assisted unit at the new site once rehabilitation or construction is complete. Residents of a development undergoing conversion of assistance may voluntarily accept a PHA or Owner's offer to permanently relocate to another assisted unit or other suitable housing, and thereby waive their right to return to the development after rehabilitation or construction is completed.

2. **No Re-Screening of Tenants upon Conversion.** Pursuant to the RAD statue, at conversion, current households are not subject to rescreening, income eligibility, or income targeting provisions. Consequently, current households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. For example, a unit with a household that was over-income at time of conversion would continue to be treated as a assisted unit. Thus, 24 CFR § 982.201, concerning eligibility and targeting, will not apply for current households. Once that remaining household moves out, the unit must be leased to an eligible family.

3. **Under-Occupied Unit.** If a family is in an under-occupied unit under 24 CFR 983.259 at the time of conversion, the family may remain in this unit until an appropriate-sized unit become available in the covered Project. When an appropriate-sized unit becomes available in the covered Project, the family living in the under-occupied unit must move to the appropriate-sized unit within a reasonable period of time, as determined by the administering Voucher Agency. In order to allow the family to remain in the under-occupied unit until an appropriate-sized unit becomes available in the covered Project, 24 CFR 983.259 is waived.

4. **Renewal of Lease.** Under current regulations at 24 CFR§ 983.257 (b)(3), the PHA must renew all leases upon lease expiration, unless cause exists. This provision must be incorporated by the PBV Owner into the tenant lease or tenancy addendum, as appropriate.

5. **Phase-in of Tenant Rent Increases.** If a tenant's monthly rent increases by more than the greater of 10% or $25 purely as a result of conversion, the rent increase will be phased in over 3 or 5 years. To implement this provision, HUD is waving section 3(a)(1) of the Act, as well as 24 CFR§ 983.3 (definition of "total tenant payment" (TTP)) only to the extent necessary to allow for the phase-in of tenant rent increases. A PHA must create a policy setting the length of the phase-in period at three (3) years, five (5) years or a combination depending on circumstances. For example, a PHA may create a policy that uses three year phase-in for smaller increases in rent and a five year phase-in for larger increases in rent. This policy must be in place at conversion and may not be modified after conversion.

   Anniston Housing Authority Policy: If the tenant's monthly rent increases more than 10% or $25, whichever is greater, a three (3) year phase-in will be implemented according to the Three Year Phase-In scheduled below.

   The methods below explain the set percentage-based phase-in an Owner must follow according to the phase-in period established. For purposes of this section "standard TTP" refers to the TTP calculated in accordance with regulations at 24 CFR § 5.628
   And the "most recently paid TTP" refers to the TTP recorded on line 9j of the family's most recent HUD Form 50058.

   Three Year Phase-In:

   Year 1: Any recertification (interim or annual) performed prior to the second annual recertification after conversion – 33% of difference between most recently paid TTP and the standard TTP.
   Year 2: Year 2 annual recertification (AR) and any interim recertification (IR) prior to Year 3 AR – 66% of difference between most recently paid TTP and the standard TTP.
   Year 3: Year 3 AR and all subsequent recertification's – full standard TTP.

6. **Public Housing Family Self Sufficiency (PH FSS).** Public Housing residents that are current FSS participants will continue to be eligible for FSS once their housing is converted under RAD and PHAs will be allowed to use an y PH FSS funds to serve those FSS participants who live in units converted under RAD. Due to the program merger between PH FSS and HCV FSS that took place pursuant to the FY 14 Appropriations Act (and was continued in the FY 15 Appropriations Act), no special provisions are required to continue serving FSS participants that live in public housing units converting to PBV under RAD.
   However, PHAs should note that there are certain FSS requirements (e.g. escrow calculation and escrow forfeitures) that apply differently depending on whether the FSS participant is a participant under the HCV program or a public housing resident, and PHAs must follow such requirements accordingly. All PHAs will be required to administer the FSS program in accordance with FSS regulations at 24 CFR Part 987, and participants' contracts of participation, and the alternative requirements established in the

"Waivers and Alternative Requirements for the FSS Program" Federal Register notice, published on December 29, 2014, at 79 FR 78100. Further, upon conversion to PBV, already escrowed funds for FSS participants shall be transferred into the HCV escrow account and be considered Tenant Based Rental Assistance (TBRA) funds, thus reverting to the HAP account if forfeited by the FSS participant.

7. **Resident Participation and Funding.** Residents of covered projects with converted PBV assistance will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding.

8. **Resident Procedural Rights.** The following items must be incorporated into both the HCV/Section 8 Administrative Plan and the Project Owner's lease, which includes the required tenancy addendum, as appropriate. Evidence of such incorporation may be requested by HUD for purposes of monitoring the program.
   a. **Termination Notification.** HUD is incorporating additional termination notification requirements to comply with section 6 of the Act for public housing projects that convert assistance under RAD. In addition to the regulations at 24 CFR § 983.257, related to Project Owner termination of tenancy and eviction, the termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:
      i. A reasonable period of time, but not to exceed 30 days:
         a. If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
         b. In the event of any drug-related or violent criminal activity or any felony conviction;
      ii. 14 days in the case of nonpayment of rent; and
      iii. 30 days in other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.
      iv. Three (3) day Expedited Lease Termination: If the health or safety of other residents, PHA employees, or persons residing in immediate vicinity of the premises is threatened; or if any member of the household has engaged in any drug related criminal or violent criminal activity; or if any member of the household has bee convicted of a felony, AHA shall give the resident three (3) day's written notice of termination of tenancy.

   b. **Grievance Process.** Pursuant to the requirements in the RAD Statute, HUD has established additional procedural rights to comply with the requirements of section 6 of the Act.
   For issues related to tenancy and termination of assistance, PBV program rules require the Project Owner/PHA (hereinafter "Project Owner") to provide an opportunity for an informal hearing, as outlined in 24 CFR §982.555. RAD will specify alternative requirements for 24 CFR §982.555(b) in part, which outlines when informal hearings are not required, to require that:

i. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi), an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a Project Owner action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.
   a. For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program. The hearing officer must be selected in accordance with 24 CFR § 982.555€(4)(i).
   b. For any additional hearings required under RAD, the Project Owner will perform the hearing.

ii. There is no right to an informal hearing for class grievances or to disputes between residents not involving the Project Owner or contract administrator.

iii. The Project Owner gives residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).

iv. The Project Owner provides an opportunity for an informal hearing before an eviction. Current PBV program rules require that hearing procedures must be outlined in the PHA's HCV Administrative Plan.

Anniston Housing Authority Policy: The hearing procedures for PBV and PBV clients converted under RAD are outlined in the Anniston Housing Authority HCV Administrative Plan.

9. **Earned Income Disregard (EID).** Tenants who are employed and are currently receiving the EID exclusions at the time of conversion will continue to receive the EID after conversion at the time of conversion will continue to receive the EID after conversion, in accordance with regulations at 24 CFR § 5.617. Upon the expiration of the EID for such families, the rent adjustment shall not be subject to rent phase-in, as described above; instead, the rent will automatically rise to the appropriate rent level based upon tenant income at that time.
   Under the HCV Program, the EID exclusion is limited to only persons with disabilities (24 CFR § 5.617 (b)). In order to allow all tenants (including non-disabled persons) who are employed and currently receiving the EID at the time of conversion to continue to benefit from this exclusion in the PBV project, the provision in section 5.617(b) limiting EID to only disabled persons is waived. The waiver and resulting alternative requirement only applies to tenants receiving the EID at the time of conversion. No other tenant (e.g., tenants who at one time received the EID but are not receiving the EID exclusion at the time of conversion (e.g., due to loss of employment); tenants that move into the property following conversion, etc.,) is covered by this waiver.

10. Jobs Plus. ***Not Applicable***

11. **When Total Tenant Payment Exceeds Gross Rent.** Under normal PBV rules, the PHA may only select an occupied unit to be included under the PBV HAP contract if the unit's occupants are eligible for housing assistance payments (24 CFR § 983.53(d)). Also a PHA must remove a unit from the contract when no assistance has been paid for 180 days because the family's TTP has risen to a level that is equal to or greater than the contract rent, plus any utility allowance, for the unit (i.e., the Gross Rent)) (24 CFR § 983.258). Since the rent limitation may often result in a family's TTP equaling equaling or exceeding the gross rent for the unit, for current residents (i.e. residents living in the public housing property prior to conversion), HUD is waiving both of these provisions and requiring that the unit for such families be placed on and/or remain under the HAP contract when TTP equals or exceeds the gross rent. Further, HUD is establishing the alternative requirement that the family is eligible for a housing assistance payment. HUD is waiving as necessary to implement this alternative provision, the provisions of section 8 (o)(13)(H) of the Act and the implementing regulations at 24 CFR § 983.301 as modified by PIH Notice 2012-32, REV-2. In such cases, the resident is considered a participant under the program and all of the family obligations and protections under RAD and PBV apply to the resident. Likewise, all requirements with respect to the unit, such as compliance with the HQS/REAC/INSPIRE requirements, apply as long as the unit is under HAP Contract. Assistance may subsequently be reinstated if the tenant becomes eligible for assistance.
Following conversion, 24 CFR § 983.53(d) applies, and any new families referred to the RAD PBV project must be initially eligible for a HAP payment at admission to the program, which means their TTP may not exceed the gross rent for the unit at that time. Further, a PHA must remove a unit from the contract when no assistance has been paid for 180 days. If units are removed from the HAP Contract because a new admission's TTP come to equal or exceed the gross rent for the unit and if the project is fully assisted, HUD is imposing an alternative requirement that the PHA must reinstate the unit after the family has vacated the property; and, if the project is partially assisted, the PHA may substitute a different unit for the unit on the HAP Contract in accordance with 24 CFR § 983.207 or, where "floating" units have been permitted.

12. **Transfer of Assistance.** ***Not applicable***

13. Impact on existing voluntary compliance agreements, consent orders or consent decrees or final judicial rulings or administrative rulings or decision – **none exist.**

14. RAD conversion compliance with all applicable site selection and neighborhood reviews standards and procedures.

15. All applicable site selection and neighborhood reviews standards and procedures have been followed.

16. Moving To Work Requirements – ***not applicable.***

17. Additionally, in accordance with 24 CFR part 903, a PHA must perform the following actions in regards to their Capital Funds:
The PHA shall notify the public that the current and future Capital Fund Program Grants Budgets, will be reduced as a result of any projects converting to RAD.

    a. The Anniston Housing Authority receives approximately $1,600,000.00 annually from HUD from the Capital Fund Program. A decrease in the Capital Fund Program will continue die to the term limit on receiving proration for Cooper Homes and the RAD conversion reduction. Capital Fund Program Grants will no longer be available for the converted sites. The Anniston Housing Authority will fund replacement reserve accounts out of proceeds from contract rents.
    b. Additionally, the Anniston Housing Authority does not have an existing Energy Performance Contract (EPC) for the converting projects.

18. All other required information and certifications necessary to submit a Significant Amendment to the PHA Plan, including Resident Advisory Board comments and responses, challenged elements, and all required certifications.

    This submission will include the following:
    - Comments from the Resident Advisory Board
    - Public Comments and Challenged elements
    - Responses
    - Required Certifications

Appendix "G"

Housing Choice Voucher Homeownership Program

ACTION PLAN

Housing Choice Voucher
Homeownership Program Action Plan
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GENERAL PROVISIONS

Anniston Housing Authority's (AHA) Housing Choice Voucher Homeownership Program (HCVP HOP) permits eligible participants in the Housing Choice Voucher Program (HCVP) the option of purchasing a home with their housing assistance rather than renting.

Eligible applicants for the HCVP HOP must have completed an initial lease term of at least one year, may not owe AHA or any other Housing Authority an outstanding debt, and must meet the eligibility criteria set forth herein.

Housing Choice Voucher Homeownership assistance may be used to purchase the following type of homes within Calhoun County: a new or existing single unit dwelling, for example, a single-family house or a single unit in a condominium or cooperative. The house must pass an inspection performed by the AHA's inspector and by a professional home inspector hired by the family. HCVP HOP families must live in the house they buy. AHA will also permit portability of Housing Choice Voucher Homeownership assistance to another jurisdiction, provided the receiving jurisdiction operates a HCVP HOP for which the Housing Choice Voucher Homeownership applicant qualifies or authorizes AHA to administer the homeownership assistance in their jurisdiction.

FAMILY ELIGIBILITY REQUIREMENTS

Participation in the HCVP HOP is voluntary. Each Housing Choice Voucher Homeownership applicant must meet the general requirements for admission to the HCVP as set forth in AHA's Administrative Plan. Such Housing Choice Voucher holders and must also be eligible to participate in the homeownership program. The additional eligibility requirements for participation in AHA's HCVP HOP require that the family:

1. **Must have been admitted to the HCV program.**
2. **Must qualify as a first-time homeowner, or may be a cooperative member or have a member who is a person with disabilities:**
   Each HCV holder, except families with a disabled member, must be a first-time homeowner. By HUD definition, a first-time homeowner is someone buying a home where no member of the household has had any ownership interest in any residence during the three years preceding commencement of homeownership assistance. However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a "first-time homeowner" for purposes of the HCV homeownership option; and the right to purchase title to a residence under a lease-purchase agreement is not considered an "ownership interest." ***A member of a cooperative (as defined in §§ 982.4) also qualifies as a "first-time homeowner."***
3. **Must meet the Federal minimum income requirement without counting income from "Public Assistance" Sources:**
   The PHA will not establish a higher minimum income standard for disabled and/or nondisabled families.
   - **Amount of Income:** With the exception of elderly and disabled households, at the time the family begins receiving homeownership assistance, the head of household, spouse, and/or other adult household members who will own the home, must have a gross annual income at least equal to the Federal minimum hourly wage multiplied by 2,000 hours.
   - **Exclusion of Public Assistance Income:** With the exception of elderly and disabled families, AHA will disregard any "public assistance" income in determining whether the

family meets the minimum income requirement. Public assistance includes assistance from Temporary Assistance for Needy Families (TANF) that is subject to an income eligibility test; food stamps; general assistance; or other welfare assistance specified by HUD. The disregard of welfare assistance income under this section affects the determination of minimum monthly income in determining initial qualification for the homeownership program. It does not affect the determination of income-eligibility for admission to HCV Program, calculation of the family's total tenant payment, or calculation of the amount of homeownership assistance payments.

- **Disabled Families:** The minimum income requirement is equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
- **Elderly/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.

4. **Meet the Requisite Employment Criteria:**
With the exception of disabled and elderly households, each family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance is employed full-time (an average of 30 hours per week) and has been so continuously employed for one year prior to execution of the sales agreement. 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 if the participant has a current business license, a state and federal tax identification number and tax records.

   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 is a needed reasonable accommodation.

5. **Have completed an initial lease term in the HCVP of at least one year:**
Applicants for, and new participants in, the HCV Program shall be ineligible for participation in the HCV HOP until completion of an initial lease term of at least one year and the participant's first annual recertification in the HCV Program. Nothing in this provision will preclude HCV holders who have completed an initial lease term in another jurisdiction from participating in the HCV HOP.

6. **Have fully repaid any outstanding debt owed to AHA or any other housing authority:**
Participants in the HCV Program shall be ineligible for participation in the HCVP HOP in the event any debt or portion of a debt remains owed to AHA or any other Housing Authority. Nothing in this provision will preclude HCV holders who have fully repaid such debt(s) from participating in the HCVP HOP.

7. **Not defaulted on a mortgage securing debt to purchase a home under the Housing Choice Voucher Program Homeownership option:**
If a head of household, spouse, or other adult household member who will execute the contract of sale, mortgage and loan documents has previously defaulted on a mortgage obtained through the HCVP HOP, the family will be ineligible to participate in the homeownership program.

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).

8. **Meet additional eligibility criteria:**
The family has had no family-caused violations of HUD's Housing Quality standards within the past year.
   - The family is not within the initial one-year period of a HAP contract.
   - 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.
   - The family must attend the HCV Homeownership Orientation.

SELECTION OF FAMILIES

The PHA will administer up to 10% new homeownership units per year. 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. If this occurs, the PHA may reduce the number of homeownership units offered in subsequent years.
Families who have been participating in an economic self-sufficiency program for at least six months, or have graduated from such a program, will be given preference over other families. Elderly and disabled families will automatically be given this preference. Within preference and non-preference categories, families will be selected according to the date and time their application for participation in the homeownership option is submitted to the PHA.
Any resident who is interested in the Homeownership Program will meet with the HCV Coordinator.

ELIGIBLE UNITS

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 project-based voucher 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.
- 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-owed 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-owed 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 HA provided financing. All of these actions must be completed in accordance with the 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 or participation.

ADDITIONAL PHA REQUIREMENTS FOR SEARCH AND PURCHASE

Search Timeframe

The family will be allowed 120 days to identify a unit and submit a sales contract to the PHA for review. The family will be allowed an additional 120 days to close on the home. PHAs may grant extensions to either of these periods for good cause. The length of the extension(s) will be determined on a case-by-case, but in no case will an extension exceed a total of 125 days. The maximum amount of time a family will be given to locate and complete the purchase of a home under the homeownership option is 365 days.

During these periods, the family will continue to receive HCV rental assistance in accordance with any active lease and HAP contract until the family vacates the rental unit for its purchased home.

All requests for extensions must be submitted in writing to the PHA prior to the expiration of the period for which the extension is being requested. The PHA will approve or disapprove the extension request within 10 business days. The family will be notified of the PHA's decision in writing.

The family will be required to report their progress on locating and purchasing a home to the PHA every 30 days until the home is purchased.

If the family cannot complete the purchase of a unit within the maximum required time frame and is not receiving rental assistance under a HAP contract at the time the search and purchase time period expires, the family will be issued a voucher to lease a unit. The family will not re-apply for the homeownership program until they have completed an additional year of participation on the HCV Program following the initial determination of their eligibility for the homeownership option.

Lease Purchase Option

Families may enter into lease-purchase agreements while receiving HCV rental assistance. All requirements of the HCV Program apply to lease-purchase agreements, except that families are permitted to pay an extra amount of out-of-pocket to the owner for purchase of related expenses—a "homeownership premium." Any "homeownership premium," defined as an increment of value attributable to the value of the lease-purchase right of agreement, is excluded from AHA's rent reasonableness determination and subsidy calculation and must be absorbed by the family. When a lease-purchase participant family is ready to exercise their option, they must notify AHA and apply for the homeownership option. IF determined eligible for homeownership assistance, the family may be admitted to the homeownership program and must meet all the requirements of these policies.

Homeownership Counseling and Other Requirements

A family's participation in the homeownership program is conditioned upon the family attending and successfully completing a home buying education and housing counseling program provided by a HUD-approved education and counseling program prior to commencement of homeownership assistance. The home buying and counselling program will cover home maintenance; budgeting and money management; credit counseling; negotiating purchase price; securing mortgage financing; finding a home, and the advantages of purchasing and locating homes in areas that do not have a high concentration of low-income families. Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling programs listed below. The counseling must be provided by a IIUD-approved counseling agency.

- Credit Workshop
- Financial Management/Budget Counseling
- Pre-purchase Homebuyer Education Workshops
- Pre-purchase Counseling
- Mortgage Delinquency and Default Resolution Counseling

Families are required to participate in post-purchase homeownership counseling on a continuing basis as assigned by AHA. The following counseling is required. Additional counseling may be assigned to the family as determined by AHA. The counseling must be provided by a HUD-approved counseling agency.

- Non-Delinquency Post Workshops

Meet Monthly with HCV Program Coordinator

Upon initial application submission, the HCV homeowner applicant will be scheduled for an initial intake meeting with the HCV Program Coordinator and be provided with a letter and checklist of items that must be submitted throughout the home buying process in order to maintain eligibility for continued housing assistance through the HCVP HOP. Once

determined to be eligible to participate in the HCVP HOP, a family's program participation is conditioned upon the family attending monthly meetings, at a minimum, with the HCV Homeownership Program. These monthly meetings will be used to ensure timely submission of program required documents and to ensure that program processes are followed and eligibility for assistance maintained.

Execute for HUD-52649, the Statement of Homeowner Obligations

Document Savings

A family's participation in the homeownership program is conditioned upon their successful financial management, which must include building savings as a means of establishing an emergency reserve for future homeowner expenses such as routine monthly maintenance and major repairs. Families must provide evidence of a minimum savings rate of $75 a month with a total savings goal of $900 prior to closing. Families' savings rate of $75 a month, or $900 a year, must be documented at each annual recertification of continued homeownership program eligibility. Any savings rate below this minimum may be acceptable when evidence is documented through receipts for home maintenance and/or major repairs.

HOME INSPECTIONS, CONTRACT OF SALE, AND PHA DISAPPROVAL OF SELLER

Home Inspections

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 (NSPIRE standards beginning October 1, 2025) 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.

The family must hire an independent professional inspector. The independent professional inspector will be selected and paid by the family. 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 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.

AHA 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 AHA disapproves the purchase of a home, the family will be notified in writing of the reasons for the disapproval.

Contract Sale

Before commencement of monthly homeownership assistance payments, 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 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, AHA may deny approval of a seller for the same reasons AHA may disapprove an owner under the regular HCV Program. A family's participation in the HCV HOP will be subject to the Homeownership Program and policies of the receiving jurisdiction.

FINANCING

As a check against predatory lending, AHA will review the financing of each purchase transaction, including estimated closing costs. AHA will review the loans for features, such as balloon payments, adjustable-rate mortgages, and unusually high interest rates, all of which are prohibited. AHA also will not approve "seller financing" or "owner-held" mortgages. Beyond these basic criteria, AHA 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. AHA 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.

AHA will approve a family's request to utilize its FSS escrow account for down payment and/or closing costs when purchasing a unit under the HCV Homeownership option.

AHA will have the option to create a "sweep account" where the home buyer can deposit their monthly payment and the PHA deposits the HAP. The homeowner can only deposit into this account as the PHA is the sole operator of the account. Each month, the lender "sweeps" the entire account.

CONTINUED ASSISTANCE REQUIREMENTS/FAMILY OBLIGATIONS

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:

1. The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing of such debt.
2. 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).
3. 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.
4. The family must notify the PHA before moving out of the home.
5. The family must notify the PHA if the family defaults on the mortgage used to purchase the home.
6. No family member may have any ownership interest in any other residential property.
7. 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).
8. The family must comply with any additional requirements for continuation of homeownership assistance for the family.
9. The PHA will not conduct ongoing HQS inspection.

MAXIMUM TERM OF HOMEOWNER ASSISTANCE

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:

1. Fifteen years, if the initial mortgage incurred to finance purchase of the home has a term of 20 years or longer; or
2. Ten years, in all other cases.

The maximum term described above applies to any member of the family who:

1. Has an ownership interest in the unit during the time that homeownership payments are made; or
2. 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 cease 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 AHAs, the total of such assistance terms is subject to the maximum term described in this part.

HOMEOWNERSHIP ASSISTANCE PAYMENTS AND HOMEOWNERSHIP EXPENSES

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, AHA will use the same payment standard schedule, payment standard amounts, and subsidy standards as those described elsewhere in this plan for the HCV Program. The payment standard for a family is 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.

AHA's housing assistance payment will be paid directly to the family. It will be the family's responsibility to make the entire payment to the lender. The PHA may make an exception if the family requests the payment to go directly to the lender, and this arrangement is acceptable to the mortgage company. IF the assistance payment exceeds the amount due to the lender, the PHA must pay the excess directly to the family.

AHA will have the option to create a "sweep account" where the home buyer can deposit their monthly payment and the PHA deposits the HAP. The homeowner can only deposit into this account as the PHA is the sole operator of the account. Each month, the lender "sweeps" the entire account.

Termination of homeownership payments and relief

Homeownership assistance for a family terminates automatically 180 calendar days after the last homeownership assistance payment on behalf of the family. However, AHA may grant relief from this requirement in those cases where automatic termination would result in extreme hardship for the family.

In order for AHA to consider granting relief from the requirement to automatically terminate homeownership assistance 180 days following AHA's last housing assistance payment on behalf of the family, the family must submit a request to AHA 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.

Homeownership expenses

Homeownership expenses (not including cooperatives) only include amounts allowed by AHA 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;

- AHA allowance for maintenance expenses;
- AHA allowance for costs of major repairs and replacements;
- AHA 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 AHA 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 AHA to cover:

1. The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
2. Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
3. Home insurance;
4. AHA allowance for maintenance expenses;
5. AHA allowance for costs of major repairs and replacements;
6. AHA utility allowance for the home; and
7. 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.
8. Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.

The PHA will allow the following homeownership expenses:

- **Monthly homeownership payment.** This include principal and interest on initial mortgage debt, taxes and insurance, and any mortgage insurance premium, if applicable.
- **Utility allowance.** AHA's utility allowance for the unit, based on the current HCV utility allowance schedule.
- **Monthly maintenance allowance.** The monthly maintenance allowance will be the annual maintenance allowance, divided by twelve. The annual maintenance allowance will be set at .5 percent of the purchase price of the home.

- **Monthly major repair/replacement allowance.** The monthly major repair/replacement allowance will be the annual major repair/replacement allowance divided by 12. The annual major repair/replacement allowance will be set at .5 percent of purchase price of the home.
- **Monthly co-op/condominium assessments.** If applicable, the monthly amount of co-op or condominium association operation and maintenance assessments.
- **Monthly principal and interest on debt for improvements.** Principal and interest for major home repair, replacements, or improvements, if applicable.

PORTABILITY

Subject to the restrictions on portability included in HUD regulations and AHA's 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 until, 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.

MOVING WITH CONTINUED ASSISTANCE

For families participating in the homeownership option, requests to move will be approved and/or denied in accordance with AHA's policies.
AHA will not require additional counseling of any families who move with continued assistance.

Default on FHA-Insured Mortgage

If the family defaults on an FHA-insured mortgage, AHA may permit the family to move with continued HCV rental assistance if the family demonstrates that it has (1) conveyed title to the home to HUD or its designee, as required by HUD; and (2) moved from the home within the period established or approved by HUD.

Default on Non-FHA-Insured Mortgage

If the family defaults on a mortgage that is not FHA-insured, AHA may permit the family to move with continued HCV rental assistance if the family demonstrates that it has (1) conveyed title to the home to the lender, to AHA or to its designee, as may permitted or required by the lender; and (2) moved from the home within the period established or approved by the lender and/or AHA.

DENIAL OR TERMINATION OF ASSISTANCE

AHA 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, AHA 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.

APPENDIX A
HOUSING CHOICE VOUCHER
HOMEOWNERSHIP OBLIGATIONS ADDENDUM

This form is to be signed by the home buyer(s), along with form HUD-52649, the Statement of Homeowner Obligations, in the presence of the Anniston Housing Authority (AHA) Housing Choice Voucher Program Coordinator. The Coordinator will explain any and all clauses which you, the home buyer(s), may not understand.

The following paragraphs describe your responsibilities under the HCV Program. If you or members of your household do not meet these responsibilities, through your actions or your failure to act, you may be terminated from the Housing Choice Voucher Homeownership Program.

1. **Family Obligations:** You must comply with all Family Obligations of the HCV Program, excepting only the prohibition against owning or having an interest in the unit. *Family Obligations §§§§ 982.551 (c), (d), (e), (f), (g) and (j) do not apply to the HCV/Section 8 Homeownership Program.*

2. **Monthly HCV HOP Meetings:** You must attend monthly meetings with the HCV Program Coordinator once you have submitted your application and been determined eligible. Upon initial application submission, you will be scheduled for an initial intake meeting with the HCV Program Coordinator and provided with a letter and checklist of items that must be submitted throughout the home buying process in order to maintain eligibility for continued housing assistance through the HCV HOP.

   Once determined to be eligible to participate in the HCV HOP, your program participation is conditioned upon your attendance at monthly meetings, at a minimum, with the HCV HOP Coordinator. These monthly meetings will be used to ensure timely submission of program required documents and to ensure that program processes are followed and eligibility for assistance maintained.

3. **AHA HCV HOP Eligibility Letter:** You must not execute any *Offer to Purchase* or *Contract of Sale* for the intended purchase of an existing home nor begin the construction of a new home, including purchasing the land or beginning any grading, other land preparation or construction of your new home prior to receiving your HCV HOP Eligibility Letter.

4. **Housing Counseling:** All participating family members (i.e. those signing the purchase offer and loan documents) must satisfactorily complete an AHA provided and/or AHA and HUD-approved counseling program prior to commencement of home ownership assistance. AHA may require any or all participating family

members to attend additional housing counseling classes as a condition of continued assistance.

5. **Purchase Contract:** You must include contract conditions in any *Offer to Purchase* or *Sales Contract* that give AHA a reasonable time (a) to inspect the home for compliance with HUD's Housing Quality Standards; (b) to review and approve a professional home inspection report obtained by you from a AHA approved inspector; and (c) approve the terms of your proposed financing. Advise your Realtor of these requirements.

6. **Mortgage Obligations:** You must comply with the terms of any mortgage incurred in the purchase of the property and must notify AHA's HCV Program Coordinator with five (5) days of receipt of any late payment or default notice.

7. **Occupancy:** You must occupy the unit as your principal residence. You may not transfer, sell, or assign any interest in the property without AHA's prior written consent. You may not rent or lease any part of the premises without AHA's prior written consent. You must notify AHA in writing at least 30 days prior to moving out of the house for a period of 30 days or longer or prior to any sale, transfer, assignment, lease or other form of alienation of the assisted property.

8. **Maintenance:** You must maintain the property in a decent, safe, and sanitary manner. You must allow AHA to inspect the property within one-week of a demand by AHA to conduct an inspection. You must correct any notice of deficiency issued by AHA within the time limit specified in the notice. If you fail to adequately maintain the property, AGA may divert the maintenance and replacement reserves portions of the Homeownership Assistance Payment to an escrow account to be used to pay for reasonable and necessary maintenance expenses.

9. **Annual Re-Examination:** You must annually provide AHA with current information regarding family income and composition in a format required by AHA.

10. **Refinancing:** You must notify AHA in writing of any proposal to refinance the original purchase mortgage or of any proposal to encumber the property with secondary financing and obtain AHA's written approval of such financing prior to executing any loan documents.
11. **Default:** In the event of a default on your mortgage obligation, you must cooperate with AHA and the lender to minimize any loss to the lender in order to maintain your eligibility to continue as a participant in the Housing Choice Voucher Program.

12. **HCV HOP Action Plan:** You must read and certify that you have read and understand the HCV HOP Action Plan.

_____ _____

Home Buyer Signature Date

_____ _____

Home Buyer Signature Date

_____ _____

AHA HCV Program Coordinator Date

APPENDIX H

FSS ACTION PLAN
FOR THE
FAMILY SELF-SUFFICIENCY PROGRAM

Family Self-Sufficiency Program
Action Plan
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Chapter 1

THE FAMILY SELF-SUFFICIENCY PROGRAM AND THE FSS ACTION PLAN

INTRODUCTION

This chapter provides an overview of the Family Self-Sufficiency (FSS) program and FSS Action Plan, including the purpose, organization, and required contents of the FSS Action Plan.

Part I: The Family Self-Sufficiency (FSS) Program and FSS Action Plan: This part provides an overview of the family Self-Sufficiency program and the purpose of the FSS Action Plan.

Part II: Requirements of the FSS Action Plan: This part covers Action Plan requirements, including development, revision, and contents of the Action Plan. It also contains information on family demographics, which is part of the required contents of the Action Plan.

PART I: THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM AND FSS ACTION PLAN

1-I.A. OVERVIEW OF THE FAMILY SELF-SUFFICIENCY PROGRAM

The origins of the FSS program are in two pilot projects implemented in 1986 and 1990, Project Self-Sufficiency and Operation Bootstrap, respectively. These projects were set up to test self-sufficiency programs for families with housing subsidies, and both demonstrated that families needed essential services to move toward economic self-sufficiency. These services include childcare, transportation, medical care, and long-term education and training.

In the wake of the successful demonstration of these projects, family self-sufficiency became one of the initiatives under the Homeownership and Housing Opportunities for People Everywhere (HOPE) program enacted in 1990, and the FSS program was subsequently created under the National Affordable Housing Act the same year.

FSS built upon and refined both Project Self-Sufficiency and the bootstrap program. It remained a voluntary program in 1991 and 1992 but became mandatory in 1993 for any new increments of funding issued to PHAs. The 1993 regulations were further modified by the Quality Housing and Work Responsibility Act of 1998 (QHWRA).

The purpose of the FSS program is to coordinate housing assistance with public and private resources to enable assisted families to achieve economic self-sufficiency. The purpose and basic requirements of the FSS program are further elaborated upon in Chapter 2.

This Family Self-Sufficiency program is administered by the Anniston Housing Authority (AHA) for the jurisdiction of Calhoun County.

1-I.B. APPLICABLE REGULATIONS

Applicable regulations for Housing Choice Voucher FSS programs include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 4 CFR Part 903: Public Housing Agency Plans
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: Housing Choice Voucher Program
- 24 CFR Part 984: Section 8 and Public Housing Family Self-Sufficiency Program

1-I.C. THE FAMILY SELF-SUFFICIENCY ACTION PLAN

The FSS Action Plan is required by HUD. The purpose of the FSS Action Plan is to establish
policies for carrying out the FSS program in a manner consistent with HUD requirements and local goals and objectives contained in the PHA's Agency Plan. This FSS Action Plan is a supporting document to the PHA Agency Plan and is available for public review as required by 24 CFR Part 903.

This FSS Action Plan is set forth to define the PHA's local policies for operation of the program in the context of federal laws and regulations. All issues related to FSS not addressed in this document are governed by such federal regulations, HUD handbooks and guidebooks, notices, and other applicable laws. The policies in this FSS Action 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 FSS program. If such changes conflict with this plan, HUD regulations will take precedence.

Administration of the FSS program and the functions and responsibilities of PHA staff shall follow the PHA's personnel policy and HUD's FSS regulations, as well as all Housing Choice Voucher (HCV) regulations, in addition to federal, state, and local fair housing laws and regulations.

PART II. REQUIREMENTS OF THE FSS ACTION PLAN

1-II.A. OVERVIEW

A PHA must have a HUD-approved Action Plan before implementing an FSS program, regardless of whether the FSS program is a mandatory or voluntary program. Further, this action plan must comply with the requirements specified for the plan in the regulations [24 CFR 984.201(a)].

The regulatory requirements dealing specifically with the FSS Action Plan itself largely involve the development, revision, and required contents of the Action Plan. This part covers those requirements.

1-II.B. HUD APPROACH TO POLICY DEVELOPMENT

In developing policy for the FSS Action Plan, PHAs need to be aware of the distinction HUD makes between mandatory and discretionary policies.

- Mandatory policies are those driven by legislation, regulations, current handbooks, notices, and legal opinions.
- Discretionary policies consist of those developed for areas in which the PHA has regulatory discretion, or regarding optional, nonbinding guidance including guidebooks, notices that have expired, and recommendations from individual HUD staff.

HUD expects PHAs to develop policies and procedures that are consistent with mandatory regulations and to make clear the optional policies the PHA has adopted. The PHA's FSS Action Plan is the foundation of those policies and procedures for the FSS program. HUD's directions require PHAs to make policy choices that provide guidance to staff and consistency to program applicants and participants.

Following HUD guidance, even though it is not mandatory, 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 consider those decisions.

1-II.C. FSS ACTION PLAN DEVELOPMENT AND REVISION

Development of Action Plan [24 CFR 984.201(b) and (c)]

When developing an FSS Action Plan, a PHA must do so in consultation with the Chief Executive Officer of the applicable unit of general local government and the Program Coordinating Committee (PCC).

In addition, a PHA that is establishing its FSS program must submit an action plan to HUD for approval within 90 days after the PHA receives notice from HUD of approval of the PHA's application for funding that establishes the obligation to operate an FSS program. This deadline is required unless the dates are extended by HUD for good cause.

For voluntary FSS programs, the PHA must submit its action plan and obtain HUD approval of the plan before it can implement the FSS program. This includes a voluntary program established because the PHA chose to implement an FSS program that exceeds the minimum size for a mandatory program (see Section 2-II.A. for a discussion of mandatory versus voluntary FSS programs).

Revision to the FSS Action Plan [24 CFR 984.201(c)(2)]

Following HUD's initial approval of the Action Plan, no further approval of the Action Plan is required unless the PHA proposes to make policy changes to the Action Plan or increase the size of a voluntary program, or to revise the FSS Action Plan as needed to comply with changes in HUD regulations. The PHA must submit any changes to the Action Plan to HUD for approval.

AHA Policy

AHA will revise the Action Plan as needed, and will submit it for HUD approval, in accordance with the above.

1-II.D. CONTENTS OF THE PLAN [24CFR 984.201(d)]

HUD regulations state that there are several components that must be included in the FSS Action Plan. At a minimum, the Action Plan must cover the policies and procedures of the PHA for operation of a local FSS program as follows:

• Family demographics, including a description of the number, size, characteristics, and other demographics such as racial and ethnic data, in addition to the supportive service needs of the families expected to participate in the program. (Chapter 1)

• Estimate of participating families, which means the number of families which can reasonably be expected to receive supportive services under the FSS program. (Chapter 2) • Eligible families from any other local self-sufficiency program who are expected to agree to execute an FSS contract of participation. (Chapter 2)

• Timetable for program implementation, including the schedule for filling FSS slots with eligible families. (Chapter 2)

• A statement of the PHA's FSS family selection procedures, including a description of how the procedures ensure that families are selected without regard to race, color, religion, disability, sex, familial status, or national origin. (Chapter 4)

• A description of the incentives that the PHA intends to offer to families to encourage participation in the FSS program (an incentives plan), including the establishment of the escrow account. (Chapter 4)

• Outreach efforts, which include a description of the PHA's efforts to recruit eligible families, the actions the PHA will take to ensure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known. (Chapter 4)

• A description of the FSS activities and supportive services to be provided by both public and private resources to FSS families, and identification of these public and private resources. (Chapter 4)

• A description of the PHA's method for identifying family support needs, including how the PHA will identify the needs and deliver the services. (Chapter 4)

• Assurances of noninterference with rights of non-participating families which state that a family's election to not participate in the FSS program will not affect the family's admission to the HCV program. (Chapter 4)

• Certification of coordination, which is a certification that the development of services and activities under the FSS program has been coordinated with the Workforce Investment Act (formerly JTPA), Workforce Investment Board and One Stop Centers (formerly JOBS program), and any other relevant employment, child care, transportation, training, and education programs in the applicable area, and that implementation will continue to be coordinated, in order to avoid duplication of services and activities. (Chapter 4)

• A description of the PHA's policies regarding program termination, withholding of services or terminating or withholding Section 8 assistance based on a family's failure to comply with the FSS contract, and available grievance procedures. (Chapter 5)

Optional additional information, which involves such other information that would help HUD determine the soundness of the PHA's proposed FSS program. (All Chapters)

1-II.E. FAMILY DEMOGRAPHICS [24 CFR 984.201(d)(1)]

As part of the required contents of the FSS Action Plan, family demographics of the HCV program participants serve to provide a description of the number, size, characteristics, and other descriptive data (including racial and ethnic data of those participants). This data may later be used to help the housing authority and the program coordinating committee (PCC) to identify supportive service needs of the families expected to participate in the FSS program.

Housing Choice Voucher Program	Total Households	Percent of Total
		100%
Female Head of Household	423	93%
Male Head of Household	31	7%
Race		
White	24	5%
Black/African American	403	89%
American Indian/Alaska Native		
Other		
Ethnicity		
Hispanic or Latino	3	1%
Not Hispanic or Latino	429	94%
Income		
Extremely Low-Income	370	81%
Very Low-Income	64	14%
Low-Income	16	4%
Households' Number of Children		
0	191	42%
1-2	164	36%
3-4	72	16%
5 or more	23	5%
Households' Number of Family Members		
1-2	237	52%
3-4	151	33%
5 or more	59	13%
Households with 1 or More Disabled Persons	149	33%
Households with 1 or More Elderly Persons	49	11%

Date of source: 6/25/2024 from AHA's HCV Tenant Data Sheet

Chapter 2

PURPOSE, SCOPE, AND APPLICABILITY OF THE FAMILY SELF-SUFFICIENCY PROGRAM

INTRODUCTION

This chapter contains information about the FSS program's purpose, size, and measurable objectives as well as information on program operation. This includes potential participant demographics, the program timetable, the number of families to be served, and the size of AHA's voluntary FSS program. This chapter also contains definitions of the key terms in this FSS Action Plan.

Part I: The Purpose and Basic Requirements of the FSS program: This part includes a description of the purpose of the FSS program on a national level—its intent, goal, and major strategies.

Part II: The Scope of the FSS program: This part contains information about the size of AHA's FSS program, an estimate of participating families, eligible families from other self-sufficiency programs, and eligibility for combined FSS programs.

Part III: Program Operation: This part specifies the requirements for FSS program operation, including the deadlines for program start-up and when AHA is expected to have attained full enrollment.

Part IV: The Definitions of Terms Used in AHA's FSS program: This section contains both HUD and AHA definitions for terms used in this policy document.

PART I: PURPOSE AND BASIC REQUIREMENTS OF THE FSS PROGRAM

2-I.A. PURPOSE

The purpose of the family self-sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of housing assistance under the HCV program with public and private resources enabling families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency [984.101(a)(1)].

In addition to this broader national goal of the FSS program, AHA also establishes a local goal consistent with AHA's mission statement to serve as a guide for establishing policy and implementing the FSS program.

AHA Policy

AHA's goal is to provide a comprehensive FSS Program that gives participants the skills and experience to enable them to obtain employment that pays a living wage.

2-I.B. PROGRAM OBJECTIVES [24 CFR 984.102]

To reach the FSS national program goal, HUD has defined its FSS program objective as to reduce the dependency of low-income families on welfare assistance and on Section 8, public, or any federal, state, or local rent or homeownership subsidies. Under the FSS program, low-income families are provided opportunities for education, job training, counseling, and other forms of social service assistance while living in assisted housing so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. As with the goals of the program, FSS program objectives are defined on the national level through FSS regulation, and on the local level by PHA policy.

AHA Policy

On the local level, AHA will achieve the national program objective by establishing and maintaining partnerships. to offer low-income families a broad range of services, including education, job training, counseling, and other forms of social service assistance so that families may achieve economic self-sufficiency, as defined in Section 2-I.A. of this document.

2-I.C. BASIC REQUIREMENTS OF THE FSS PROGRAM [24 CFR 984.104]

An FSS program established under 24 CFR Part 984 must operate in conformity with the regulations and this FSS Action Plan (as required in 24 CFR 984.201), provide comprehensive supportive services (as defined in 24 CFR 984.103), and operate in compliance with nondiscrimination and equal opportunity requirements.

PART II: SCOPE OF THE FSS PROGRAM

2-II.A. PHAS REQUIRED TO OPERATE AN FSS PROGRAM

Each PHA that received funding for Section 8 rental certificates or vouchers under the combined FY 1991/1992 FSS incentive award competition also must operate a Section 8 FSS program.

In addition, unless PHA receives an exemption under 24 CFR 984.105, each PHA for which HUD reserved funding (budget authority) for additional rental certificates or vouchers in FY 1993 through October 20, 1998, must operate a Section 8 FSS program.

Mandatory Minimum Program Size (MMPS) [24 CFR 984.105]

PHAs that must operate an FSS program under 24 CFR 984.101 are subject to a minimum program size requirement.

PHA Minimum Program Size

AHA's HCV FSS Voluntary Program has up to **50 participants**.

Reduction in Program Size

Rather than a full exception to program operation, a PHA may also be permitted to operate an HCV FSS program that is smaller than the minimum program size. As with the full exception, HUD may grant PHA such a partial exception if PHA provides to HUD a certification that the operation of an FSS program of the minimum program size is not feasible because of a decrease in or lack of accessible supportive services [24 CFR 984.105(d)].

2-II.B. ESTIMATE OF PARTICIPATING FAMILIES [24 CFR 984.201(d)(2)]

AHA must state the number of eligible FSS families who can reasonably be expected to receive supportive services under the FSS program based on available and anticipated federal, tribal, state, local, and private resources.

Year Funded	Type of Award	Units
2024	**Family Self-Sufficiency FSS 24AL5655**	**HCV/AHA up to 50 participants**
	TOTAL AWARDED	

Estimate of Eligible Families

Up to 50 FSS families can reasonably be expected to receive supportive services under the FSS program, based on available and anticipated federal, tribal, state, local, and private resources.

2-II.C. ELIGIBLE FAMILIES FROM OTHER SELF-SUFFICIENCY PROGRAMS [24 CFR 984.201(d)(3)]

If applicable, AHA must enter the number of families, by program type, who are participating in any other local housing self-sufficiency program who are expected to agree to execute an FSS contract of participation.

AHA Policy

AHA does not operate other self-sufficiency programs and therefore no additional families from other programs are expected to execute an FSS contract of participation.

2-II.D. ELIGIBILITY OF A COMBINED PROGRAM [24 CFR 984.201(e)]

A PHA that wishes to operate a joint FSS program with other PHAs may combine its resources with one or more PHAs to deliver supportive services under a joint Action Plan that will provide for the establishment and operation of a combined FSS program that meets the requirements of this part.

AHA Policy

AHA will not operate a joint FSS program.

PART III: PROGRAM OPERATION

2-III.A. OVERVIEW

Federal regulations specify requirements for FSS program operation regarding deadlines for program start-up and when AHA is expected to have attained full enrollment. A timetable illustrating when AHA intends to meet these deadlines is included as part of the required contents of the Action Plan.

2-III.B. PROGRAM IMPLEMENTATION DEADLINE

The deadlines for program implementation differ depending on whether the FSS program is voluntary or mandatory.

Voluntary Program [24 CFR 984.301(a)(1)]

There is no deadline for implementation of a **voluntary** program. However, a voluntary program may not be implemented before the requirements specified in 24 CFR 984.201 have been satisfied (see Sections 1-II.A.–1-II.D.).

2-III.C. FULL ENROLLMENT AND DELIVERY OF SERVICE [24 CFR 984.301(a)(2)(ii)]

Unless a PHA is implementing a voluntary FSS program, the PHA must have completed enrollment of the total number of families required to be served under the program (based on the minimum program size), and must have begun delivery of the supportive services within two years from the date of notification of approval of the application for new rental certificates or rental vouchers for a Section 8 FSS program, or HUD's approval of funding that establishes the obligation to operate an FSS program.

2-III.D. TIMETABLE FOR PROGRAM IMPLEMENTATION [24 CFR 984.201(d)(ii)]

A timetable for implementation of the FSS program is part of the required contents of the FSS Action Plan. The timetable must comply with the requirements in 24 CFR 984.301 (see Section 2-III.B.–2-III.D.), including the schedule for filling FSS slots with eligible FSS families.

AHA Policy

AHA had an implementation deadline to begin operating a local FSS Program within 12 months from HUD's notification that the incentive award application for rental certificates and vouchers was approved. As a result, AHA began outreach, participant selection and enrollment in the FSS program prior to October 2013. This timetable has therefore been met.

As of July 2024, AHA/HCV has 16 participants enrolled in our program. We have 34 additional slots available in our voluntary FSS program, which would allow our program to have up to 50 participants.

PART IV: DEFINITIONS

2-IV.A. DEFINITIONS [24 CFR 984.103]

The terms *1937 Act, fair market rent, HUD, low-income family, public housing, public housing agency (PHA), secretary, and Section 8,* as used in this document are defined in the 24 CFR Part 5.

The term *very low-income family* is defined in 24 CFR 813.102 and 24 CFR 913.102.

The terms used in this document have the following definitions as defined by 24 CFR 984.103 and this family self-sufficiency Action Plan.

Certification means a written assertion based on supporting evidence, provided by the FSS family or AHA, which must be maintained by AHA in the case of the family's certification, or by HUD in the case of AHA's certification; made available for inspection by HUD, AHA, and the public, as appropriate; and be deemed to be accurate, unless the secretary or AHA determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

Chief executive officer (CEO) means the CEO of a unit of general local government who is the elected official or the legally designated official having primary responsibility for the conduct of that entity's governmental affairs.

Contract of participation (COP) means a contract in a form approved by HUD, entered between a 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 between AHA and all members of the family who will participate in the FSS program, and which plans are attached to the contract of participation as exhibits. For additional details, see 24 CFR 984.303.

Earned income means income or earnings included in annual income from wages, tips, salaries, other employee compensation, and self-employment. Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA on behalf of a participating family.

Effective date of contract of participation means the first day of the month following the month in which the FSS family and AHA entered the contract of participation.

Eligible families for the HCV FSS program, means current HCV program participants. Eligible families also include current residents of public housing and participants in the HCV program who are participants in other local self-sufficiency programs.
Enrollment means the date that the FSS family entered the contract of participation with AHA.

Family self-sufficiency program or FSS program means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by section 23 of the 1937 Act.

FSS account means the FSS escrow account authorized by section 23 of the 1937 Act.

FSS credit means the amount credited by AHA to the participating family's FSS account.

FSS family or participating family means a family that receives assistance under the rental voucher programs that elects to participate in the FSS program and whose designated head of the family has signed the contract of participation.

FSS-related service program means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of supportive services.

FSS slots refer to the total number of rental vouchers that comprise the minimum size of a PHA's HCV FSS program.

FY means federal fiscal year (starting on April 1, and ending March 31, and designated by the calendar year in which it ends).

Head of FSS family means the adult member of the FSS family who is the head of the household for purposes of determining income eligibility and rent.

Housing subsidies means assistance to meet the costs and expenses of temporary shelter, rental housing, or homeownership, including rent, mortgage, or utility payments.

Individual training and services plan (ITSP) means a written plan that is prepared for the head of the FSS family and each adult member of the FSS family who elects to participate in the FSS program, by AHA in consultation with the family member, and which sets forth the supportive services to be provided to the family member, the activities to be completed by that family member, and the agreed upon completion dates for the services and activities. Each ITSP must be signed by AHA and the participating family member and is attached to and incorporated as part of the contract of participation. An ITSP must be prepared for the head of the FSS family.

JTPA means the Job Training Partnership Act (29 U.S.C. 1579(a)) now known as the Workforce Investment Act or WIA.

Knowledgeable professional

AHA Policy

Knowledgeable professional means a person who has professional knowledge of the situation, is competent to render a professional opinion, and is not able to gain, monetarily or otherwise, from an AHA FSS program decision in the area to which they are certifying.

Participating family is defined as FSS family in this section.

Program coordinating committee (PCC) means the committee described in 24 CFR 984.202.

Public housing means housing assisted under the 1937 Act, excluding housing assisted under Section 8 of the 1937 Act.

Self-sufficiency means that an FSS family is no longer receiving Section 8, public, or Indian housing assistance, or any federal, state, or local rent or homeownership subsidies or welfare assistance. Achievement of self-sufficiency, although an FSS program objective, is not a condition for receipt of the FSS account funds.

Supportive services mean those appropriate services that a PHA will make available or cause to be made available to an FSS family under a contract of participation. These may include child care of a type that provides sufficient hours of operation and serves an appropriate range of ages; transportation necessary to enable a participating family to receive available services or to commute to their places of employment; remedial education; education for completion of secondary or post-secondary schooling; job training, preparation, and counseling; job development and placement; and follow-up assistance after job placement and completion of the contract of participation; substance/alcohol abuse treatment and counseling; training in homemaking and parenting skills; household management; money management; counseling regarding homeownership or opportunities available for affordable rental and homeownership in the private housing market (including information on an individual's rights under the Fair Housing Act) and money management; and any other services and resources, including case management and reasonable accommodations for individuals with disabilities, that AHA may determine to be appropriate in assisting FSS families to achieve economic independence and self-sufficiency.

Unit size or size of unit refers to the number of bedrooms in a dwelling unit.

Welfare assistance means (for purposes of the FSS program only) income assistance from federal or state welfare programs and includes only cash maintenance payments designed to meet a family's ongoing basic needs. Welfare assistance does not include nonrecurrent, short-term benefits that are designed to deal with a specific crisis situation or episode of need, or are not intended to meet recurrent or ongoing needs and will not extend beyond four months; work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training); supportive services such as child care and transportation provided to families who are employed; refundable earned income tax credits; contributions to, and distributions from, individual development accounts under TANF; 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; 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; amounts

solely directed to meeting housing expenses; amounts for health care; food stamps and emergency rental and utilities assistance; and SSI, SSDI, or social security.

Chapter 3

PROGRAM ADMINISTRATION

INTRODUCTION

This chapter discusses administrative policies and practices as they are relevant to the activities covered in this plan. The policies and practices are discussed in two parts:

Part I: Staffing, Fees and Costs, and On-Site Facilities: This part describes identifying appropriate staff and contractors to operate the FSS program and provide the necessary direct services to FSS families. In addition, it describes how administrative fees, costs, and supportive services will be funded, and defines the use of on-site facilities.

Part II: The Program Coordinating Committee: This part covers the establishment of a program coordinating committee (PCC), which is a regulatory requirement for the FSS program. It describes required and recommended PCC membership, in addition to the option for an alternative committee.

PART I. STAFFING, FEES AND COSTS, AND ON-SITE FACILITIES

3-I.A. OVERVIEW

Several functions of program administration are crucial to running an FSS program. A PHA may need to employ a program coordinator or decide to contract with another organization to administer the program. In addition to staffing issues, PHAs should understand how program funding and expenses work to keep the program running smoothly.

3-I.B. PROGRAM ADMINISTRATION STAFF AND CONTRACTORS [24 CFR 984.301(b)]

PHAs have the choice between hiring their own staff and contracting with an outside organization to administer their FSS program. If the PHA should choose to employ its own staff, the staffing levels should be appropriate and may include one or more FSS coordinators. If the PHA chooses to contract with an outside organization, the organization's staffing levels must likewise be appropriate to establish and administer the FSS program, and the organization's responsibilities would include managing the FSS account in accordance with federal regulations.

Representatives from the following agencies and businesses have been contacted to serve on the Program Coordinating Committee and/or have executed Memorandums of Understandings to provide services and programs for AHA residents:

1. Alabama Cooperative Extension System
2. Alabama Department of Rehab Services
3. American Red Cross Calhoun/Cleburne Chapter
4. Anniston Parks and Recreation
5. Anniston Police Department
6. Anniston Public Schools (Supportive Services)
7. Anniston Quality Health Care
8. Branch Banking and Trust (BB&T)
9. Boys & Girls Club/East Central Alabama
10. Calhoun County Chamber of Commerce
11. Calhoun County Department of Human Services
12. Calhoun County Health Department
13. Career Center/Anniston/Cheaha
14. Community Action Agency/TCRCC
15. Easter Seals/Opportunity Center
16. Family Links
17. Gadsden State Community College
18. Interface Ministries
19. Habitat for Humanity/Calhoun
20. Health Services Center
21. Legal Services of Alabama
22. Northeast Alabama CDC
23. Northeast Alabama Crisis Center
24. Resident Councils
25. Sarrell Dental Clinic
26. Wells Fargo Home Mortgage
27. YMCA
28. Second Chance
29. Salvation Army
30. United Way

AHA Policy

AHA has employed appropriate staff, including one or more FSS Coordinators and continues to administer its FSS program.

ROLE of the Program Coordinator

A FSS Coordinator will be assigned to each participating family and be responsible for coordinating the delivery of services and assessing compliance with program objectives. The FSS Coordinator will confer with other FSS Coordinators and the Director of Housing Services in seeking the necessary services and resources to fill any

gaps in services already available to assist program participants in reaching their goals of social and economic independence.

FSS Coordinators will make referrals to other agencies as needed to assist the families. The FSS Coordinator will monitor the results of these referrals. Developing a sense of responsibility is paramount to becoming self-sufficient; participants may be expected to make their own appointments once the referral has been made. The FSS Coordinator will assist the participant in finding needed resources.
Follow-up contact will be made to assess the participant's skills in making and keeping the referral. The results of this follow-up will be used in further counseling with the participants regarding their skills at accessing the services they need. FSS Coordinators will be expected to facilitate service provision for all program participants. They will assist participants with referral and direct services on a gradually decreasing scale as they become more self-sufficient.
The FSS Coordinator will conduct monthly contact and at least a face-to-face contact with an FSS participant quarterly. FSS Coordinators will be available whenever a participant has a problem that cannot wait until the regularly scheduled meeting. It will continue to be the responsibility of the program participant to schedule and/or reschedule appointments and meet with their FSS Coordinator.

FSS Coordinators will conduct community-based programs and workshops to assist FSS participants with their curriculum activity requirement, to develop a resident-oriented relationship amongst the community and staff and alleviate barriers to services such as transportation.

FSS Coordinators will be available as needed and reasonable to provide counseling and other services for program participants. FSS Coordinators will follow up with program participants who have failed to make appointments and document such efforts to include home visits, phone calls and other meetings at mutually convenient locations. Failure to maintain contact with a FSS Coordinator is a violation of the AHA FSS program rules and may result in termination from the program.

The FSS Coordinator will review the Caseloads to ensure files and escrow accounts are accurate. The monthly tracking reports will be reviewed for accuracy and compiled and entered by the FSS Coordinator into a master tracking form.

The FSS Coordinator will produce a monthly calendar to be distributed to the residents to inform the residents of monthly activities and events that will be held within the AHA communities to assist the residents with fulfilling their 8 hours Community Services Requirements. Also, the FSS Coordinator will produce a quarterly newsletter for the FSS program to be distributed to the residents, staff, board members and supporting agencies.

The FSS Coordinator will review PIC information from Section 8 and Public Housing staff to match up data. If any discrepancies are found, the FSS Coordinators will make the necessary changes. The master tracking form will then be routed to the Director of

Housing Services, Executive Director, PIC contacts, Section 8 Coordinator, and Property Managers by the 1 st of every month.

3-I.C. ADMINISTRATIVE FEES AND COSTS

HCV FSS Program

In the HCV program, administrative fees are paid to PHAs for HUD-approved costs associated with the operation of an FSS program. These administrative fees are established by Congress and subject to appropriations [24 CFR 984.302(b)].

In addition, administrative fees for HUD-approved costs not specifically related to the operation of the FSS program may be used to cover these costs associated with the administration of FSS [see Notice PIH 93-24 E-7 and E-8].

3-I.D. SUPPORTIVE SERVICES FEES AND COSTS

Supportive services fees and costs include childcare expenses, transportation funds, and the costs of training, work equipment, or GED classes, among others.

HCV Supportive Services

In the HCV program, the PHA may fund reasonable and eligible FSS supportive service costs in the FSS program from unrestricted net assets [see Notice PIH 93-24, E-3].

In addition, the PHA may seek additional funds from HUD through submitting grant applications or seek grants from other sources when available.

AHA Policy

Refer to Chapter 4 regarding AHA's Enhancement Program.

PART II: PROGRAM COORDINATING COMMITTEE

3-II.A. OVERVIEW

As another integral part of FSS program administration, each participating PHA must establish a program coordinating committee (PCC) whose functions will be to assist the PHA in securing commitments of public and private resources for the operation of the FSS program within the PHA's jurisdiction, including assistance in developing the Action Plan and in implementing the program [24 CFR 984.202(a)].

The PCC must consist of certain members, which are dependent upon whether the PHA is operating an HCV program. In addition to these required members, the PCC may also include additional members recommended by regulation.

3-II.B. PROGRAM COORDINATING COMMITTEE MEMBERSHIP

Required PCC Membership [24 CFR 984.202(b)(1)]

For an HCV FSS program, the PCC membership must consist of representatives of the PHA and participants of the HCV program or HUD's public or Indian housing programs.

AHA Policy

AHA's representatives on the PCC are FSS Coordinators assigned to the Family Self Sufficiency Program. AHA and its partners recruit and invite HCV program participants to join the PCC and attend quarterly meetings.

Recommended PCC Membership [24 CFR 984.202(b)(2)]

Membership on the PCC also may include representatives of the unit of general local government served by the PHA, local agencies (if any) responsible for carrying out employment training programs or programs funded under the Workforce Investment Act, and other organizations, such as other state, local, or tribal welfare and employment agencies, public and private education or training institutions, child care providers, nonprofit service providers, private business, and any other public and private service providers with resources to assist the FSS program.

AHA Policy

AHA and its partner PHAs recruit and invite representatives from a variety of resource providers, including, but not limited to social services agencies, regional occupational programs, colleges, employment services providers, subsidized childcare programs, and agencies that aid with basic needs.

3-II.C. ALTERNATIVE PCC COMMITTEE [24 CFR 984.202(c)]

It is also possible for the PHA, in consultation with the chief executive officer of the unit of general local government served by the PHA, to use an existing entity as the PCC, if the membership of the existing entity consists or will consist of the individuals required by regulation (See section 3-II.B. above).

AHA Policy

AHA established a PCC upon FSS Program implementation and continues to maintain the committee at this time. However, should AHA deem it necessary, a transition to an alternative committee may be made.

Chapter 4

SELECTING AND SERVING FSS FAMILIES

INTRODUCTION

FSS regulations require that the PHA include in its Action Plan a statement indicating how it will select families for participation in the FSS program. This includes outreach, waiting list management, and other selection procedures. When followed, the PHA's selection procedures ensure that families will be selected without regard to race, color, religion, sex, handicap, familial status, or national origin.

Once selected for participation in the FSS program, families are to be provided various activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. A description of such activities and supportive services is also a requirement of the FSS Action Plan.

This chapter contains three parts:

Part I: Incentives, Outreach, and Assurance of Noninterference: This part describes the incentives the PHA will offer and the outreach efforts the PHA will use to encourage participation and recruit eligible families for the FSS program. It also contains the required assurance of noninterference with the rights of nonparticipating families.

Part II: Family Selection: This part covers whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so. In addition, this part describes the selection factors the PHA will use in screening families for participation in the FSS program.

Part III: Activities and Support Services: This part lists the activities and supportive services to be provided to families through both public and private resources, describes the method the PHA will use to identify family support needs, and covers the required certification of coordination.

PART I. INCENTIVES, OUTREACH, AND ASSURANCE OF NONINTERFERENCE

4-I.A. OVERVIEW

The FSS program offers incentives such as the FSS escrow account, case management, and other supportive services that not only encourage participation, but also help families achieve self-sufficiency. In addition to encouraging program participation through such incentives, PHAs also conduct outreach to recruit FSS participants from among eligible families. As part of this process, families need to know that their choice as to whether to participate in the FSS program will not affect their admission to the HCV program. This part describes the PHA's policies regarding these issues, all of which are required aspects of the FSS Action Plan.

4-I.B. INCENTIVES FOR PARTICIPATION [24 984.201(d)(5)]

By regulation, the FSS Action Plan must include a PHA's incentives plan—a description of the incentives that the PHA intends to offer eligible families to encourage their participation in the FSS program. The incentives plan provides for the establishment of the FSS escrow account, and any other incentives designed by the PHA.

AHA Policy

AHA will offer the following services to its FSS participants as incentives to participate in FSS:

FSS Escrow Account:
The FSS escrow account offers a family the opportunity to build financial resources for the future. During the term of the contract of participation, AHA will establish an interest-bearing escrow account. The housing authority will contribute, on behalf of the family, all or a part (depending on the income level of the family) of any amount the family would pay as increased rent due to an increase in their earned income. If eligible, upon satisfactory completion of COP requirements funds from the escrow account will be disbursed to the FSS Head of Household.

Enhancement Program:
When available, AHA may provide funding for an Enhancement Program that offers reimbursement for eligible expenditures such as, tuition, childcare, transportation, etc., paid participants who have demonstrated progress towards meeting the goals of their ITSP. An annual maximum reimbursable amount is allocated for each verified expense or allowable incentive.

Eligibility for reimbursements and/or incentives begins on the effective date of the COP, therefore, expenses incurred and/or goals achieved prior to the effective date of

the COP are not eligible for reimbursement. At AHA's discretion, reimbursements for educational expenses may be allowed up to 90 days after expense was incurred.

Denial of a request for reimbursement is not subject to the Informal Review and or/Informal Hearing processes.

AHA staff will collaborate with FSS participants to assess, plan, facilitate, coordinate, evaluate, and advocate for options and services to meet their comprehensive needs through communication and available resources to promote self-sufficiency.

4-I.C. OUTREACH EFFORTS [24 CFR 984.201(d)(6)(i)(ii)]

In addition to offering incentives for FSS participation, PHAs also conduct outreach to recruit more FSS participants from eligible families. The FSS Action Plan must include a description of these efforts to recruit FSS participants, including notification and outreach, the actions the PHA will take to assure that both minority and nonminority groups are informed about the FSS program, and how the PHA will make this information known.

AHA Policy

When appropriate and applicable, AHA will conduct FSS outreach to HCV recipients upon registration, briefing, recertification, and/or program recruitment. Additionally, AHA will work with supportive services providers from the Family Unification programs to encourage participants in the respective programs to participate in the FSS program.

4-I.D. ASSURANCE OF NONINTERFERENCE WITH THE RIGHTS OF NONPARTICIPATING FAMILIES [24 CFR 984.201(d)(10)]

A family's housing assistance or admission into assisted housing should never depend on whether they choose to participate in the FSS program, and PHAs need to make this known as part of the recruitment process. For this reason, the PHA's Action Plan must include an assurance that a family's decision to not participate in the FSS program will not affect the family's admission to the HCV program, nor will it affect the family's right to occupancy in accordance with the lease.

AHA Policy

Participation in the FSS program is strictly voluntary. HCV program participants will be notified via the Administrative Plan and supplemental FSS program material that should they decide not to participate in the FSS program it will not affect their HCV housing assistance.

PART II. FAMILY SELECTION

4-II.A. OVERIVEW

The FSS Action Plan is required to contain a statement indicating the procedures for selecting families for FSS program participation, including a description of how the PHA will do so without regard to race, color, religion, sex, handicap, familial status, or national origin. This part describes these procedures, considering whether the PHA will use preferences for family selection and which preferences the PHA will employ if they choose to do so, in addition to defining the factors the PHA will use in screening families for program participation.

AHA Policy

Participation in FSS is voluntary and is open to current participants in the HCV program without regard to race, color, religion, sex, handicap, familial status, or national origin. AHA has no selection preferences. The selection process is "first-come, first-served", based upon time and date interest is expressed, until all mandatory slots have been filled. Thereafter, AHA's voluntary slots will be filled in the same manner.

4. II. B. DENIAL OF PARTICIPATION

A request for participation in the FSS program may be denied under the following circumstances:

- The family previously participated in the FSS program and graduated.
- The family previously participated in the FSS program and did not meet their FSS obligations/goals and/or they were terminated from the FSS program.
- The family owes AHA or another PHA money in connection with the HCV program.

PART III. ACTIVITIES AND SUPPORT SERVICES

4-III.A. OVERVIEW

Once families are admitted to the FSS program, the PHA becomes responsible for making sure these families are adequately served. The purpose of the Family Self-Sufficiency (FSS) program is to promote the development of local strategies to coordinate the use of housing assistance under the HCV program with public and private resources, to enable families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency. As such, upon selection, families are matched with the appropriate activities and supportive services so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency. This is a vital element of the FSS program.

4-III.B. METHOD OF IDENTIFYING FAMILY SUPPORT NEEDS [24 CFR 984.201(d)(8)]

Before a PHA can determine the services and activities it will provide to FSS families, it must identify the services and activities appropriate for each family. The Action Plan

must contain a description of how the program will identify the needs of FSS families and deliver the services and activities according to these needs.

AHA Policy

The head of the household must complete and sign an Individual Training and Services Plan (ITSP). The role of AHA staff is to help guide and assist the FSS participant in developing their ITSP through the following processes:

- Evaluating current job skills, training, experience, and educational level.
- Selecting goals that are relevant and build upon and enhance current skills and/or educational achievements that a client can commit to accomplishing within the 5-year term of the Contract of Participation (COP).
- Identifying the available services and resources needed to achieve their established goals.

4-III.C. FSS ACTIVITIES AND SUPPORT SERVICES DESCRIPTION [24 CFR 984.201(d)(7)]

As part of the required contents of the Action Plan, PHAs must both describe the activities and supportive services to be provided by public and private resources to FSS families and identify the public and private resources that are expected to provide the supportive services.

Of course, this task assumes that the PHA has first identified the needed activities and supportive services.

AHA Policy

As needed, and when available, FSS families will be linked to the following activities and supportive services:

Support Service General	Support Service Specific	Source/Partner
Assessment	Vocational Assessment Educational Assessment Vocational Planning Educational Planning	Adult Education Community College Community Based Organizations
Education	High School GED College	Adult Education Community College University

Training	Skills Training Vocational Training On-The-Job Training	Adult Education Community College University Community-based Organizations
Job Search Assistance	Resume Preparation Interviewing Skills Dress for Success Workplace Skills Job Development Job Placement	Adult Education Community College University Community-based Organizations
Transportation	Bus/Trolley Passes	FSS Enhancement Program
Health Care	Emergency Care Preventative Care	Community Clinic General Hospital Health Care Agency Social Services Agency
Small Business Development	Training Planning Technical Assistance Mentoring	Small Business Administration Score
Homeownership	Training Planning Debt Resolution Counseling	Housing Choice Voucher Homeownership Program Housing Counseling Organization Community-Based Organizations
Support Service General	Support Service Specific	Source/Partner
Childcare	Infant Care Toddler Care Preschool Care Afterschool Care Homework Assistance	Children's Home Society FSS Enhancement Program Local Park, Recreation,

		and Library System
Domestic Violence	Crisis Assessment Crisis Intervention Crisis Management Crisis Resolution	Police Department Sheriff's Department Counseling Agencies Shelters
Child/Adult Protective Services	Needs Assessment Case Planning Information and Referrals Crisis Management	Senior Services-Office on Aging Adult Protective Services In-Home Supportive Services Social Services Agency
Legal Services	Representation Document Review Counsel or Advice	Fair Housing Counsel Legal Aid
Debt Resolution	Needs Assessment Case Planning Advocacy Negotiation	Consumer Credit Counseling Services
Mentoring	Guidance	Social Service Agency Anniston Fatherhood Initiative

4-III.D. CERTIFICATION OF COORDINATION [24 CFR 984.201(d)(12)]

The FSS Action Plan is required to contain a certification that the development of the activities and services under the FSS program has been coordinated with the JOBS program (now Welfare to Work under TANF), the programs provided under the JTPA (now Workforce Investment Act programs), and any other relevant employment, childcare, transportation, training, and education programs in the applicable area. The implementation of the FSS program's activities and services must continue to be coordinated as such to avoid duplication of activities and services.

AHA Policy

The development of activities and services for AHA's FSS program are coordinated, implemented, and continue to be administered in conjunction with the primary providers of basic needs, mainstream benefits, and ancillary services via the PCC and various other committees.

Chapter 5

CONTRACT OF PARTICIPATION

INTRODUCTION

Each family that is selected to participate in an FSS program must enter a contract of participation with the PHA. This contract, which is signed by the head of the FSS family, sets forth the principal terms and conditions governing participation in the FSS program, including the rights and responsibilities of the FSS family and of the PHA, the services to be provided to the head of the FSS family and each adult member of the family who elects to participate in the program, and the activities to be completed by them. The contract also incorporates the individual training and services plan [24 CFR 984.303]. This chapter contains two parts:

Part I: Overview and Family Obligations: This part provides an overview of the form and content of the contract of participation and describes what the contract requires of FSS families.

Part II: Contract Specifications: This part explains the specifications of the contract, including terms and conditions, contract modification, contract terminations, and grievance procedures.

PART I: OVERVIEW AND FAMILY OBLIGATIONS

5-I.A. OVERVIEW

The purpose of the FSS contract of participation is to set forth the principal terms and conditions governing participation in the FSS program, including the incorporation the individual training and services plan (ITSP) as part of the contract's required contents. The ITSP is meant to establish goals for an FSS family to meet along the family's way to completing the contract and becoming self-sufficient. In addition to the goals specified in the ITSP, the contract also lists the responsibilities of the family and the PHA. This part covers the ITSP as part of the required contents of the contract of participation, and the family's obligations under the contract.

5-I.B. CONTENTS OF THE CONTRACT OF PARTICIPATION

Individual Training and Services Plan

As part of the required contents of the FSS contract of participation (COP), the individual training and services plan (ITSP) establishes specific interim and final goals by which the PHA and the family measure the family's progress toward fulfilling its obligations under the contract of participation and becoming self-sufficient. Interim and final goals will differ depending on the family's individual needs. Further, regulations require the establishment of an interim goal regarding independence from welfare assistance.

Interim Goals

For each participating FSS family that receives welfare assistance, the PHA must establish as an interim goal that the family become independent from welfare assistance and remain independent from welfare assistance for at least one year before the expiration of the term of the contract of participation, including any extension thereof [24 CFR 984.303(b)(2)].

At its discretion, the PHA may also elect to suggest this as an interim goal in the ITSP regardless of whether a family is receiving welfare assistance at the time the COP is developed.

AHA Policy

To participate in FSS, the head of household must enter a COP with AHA. The COP must be executed within 120 days of the last annual/interim reexamination. If more than 120 days have lapsed, a new reexamination review will be performed, prior to, or commensurate with the effective date of the COP.

As part of the required contents of the FSS COP, the Individual Training and Services Plan (ITSP) establishes specific interim and final goals by which the PHA and the family measure the family's progress toward fulfilling its obligations under the contract of participation and becoming self-sufficient. Interim and final goals will differ depending on the family's individual needs. However, the COP must include an interim goal regarding independence from welfare assistance.

The head of household must complete and sign the ITSP. The role of AHA staff is to help guide and assist the FSS participant in developing their ITSP through the following processes:

- Evaluating current job skill, training, experience, and educational level.
- Selecting goals that are relevant and build upon and enhance current skills and/or educational achievements that a client can commit to accomplishing within the 5-year term of the COP.
- Identifying the available services and resources needed to achieve their established goals.

Mandatory Goals

The ITSP must include the following goals:

- Interim – All household members must be independent from welfare assistance at graduation and expiration of the term of the COP, including any extension thereof [24 CFR 984.303(b)(2)].
- Final – Head of household must seek and maintain suitable employment. [24 CFR 984.303 (b)(4)].

The objective of the final goal is employment in more than minimum wage jobs, unless there is significant potential for advancement.

For purposes of the AHA's FSS program, *seek employment* means the head of household has applied for employment, attended job interviews, and otherwise followed through on employment opportunities as outlined in the individual training and services plan of his or her contract of participation.

Maintain employment means that the FSS head of household will complete all the obligations outlined in the individual training and services plan in his or her COP and be employed full-time on the last effective day of the COP.

Suitable employment is employment that is outlined in the individual training and services plan of the contract of participation and is based on the skills, education, and job training of the head of household.

Individual Training & Service Plans for Other than FSS Head

An individual training and services plan is only required for the head of the FSS family. This means that it is the PHA's decision, after consulting with the family, whether to create an ITSP and provide supportive services to other family members aged 19 or over if they want to participate in the FSS program and supportive services are available-
[Notice PIH 93-24, G-16].

AHA Policy

AHA will permit additional family members to have an ITSP.

Re-Examination

After admission to the FSS Program, re-examinations will be conducted at least annually as required by HUD and according to AHA's policy.

(a) FSS Coordinators will monitor their caseload to determine upcoming annual re-examination, annual examination and interims in process utilizing the SAC system monthly to calculate accurate escrow balances. In the event a recertification is needed, the FSS Coordinator will notify the Resident Services Coordinator who will make a request to the Property Managers and/or the Section 8 Coordinator.

(b) FSS Coordinators will complete a FSS Addendum Worksheet two months prior to the FSS participants re-examine and submit them to the Residents Services Coordinator who will submit them to the Property Manager to be entered with the annual re-examination information.

Residents who falsely report income or lack thereof at initial and subsequent income certifications while enrolled in the AHA FSS program are subject to agency policy regarding fraud which may result in back rent being charged or eviction. No escrow credit will accumulate on back rent payments made because of fraud. Residents who commit fraud against the agency are subject to immediate termination from the AHA FSS program.

(a) The balance at the beginning of the reporting period.
(b) The amount of the family's rent payment that was credited to the FSS escrow account during the reporting period.
(c) The amount of interest earned on the account during the year.
(d) The total in the account at the end of the reporting period.

5-I.C. FAMILY OBLIGATIONS

Compliance with Lease Terms

One of the obligations of the FSS family according to the contract of participation is to comply with the terms and conditions of the HCV program assisted lease- [24 CFR 984.303(b)(3)]. Page 33 of 47 Inability to comply with the lease represents an inability to comply with the contract, therefore regulations regarding noncompliance with the FSS contract apply [see 24 CFR 984.303(b)(5)]. It is up to the PHA to determine the plan of action for FSS families found in noncompliance with the lease and how the PHA will precisely define the term *comply with the lease*.

AHA Policy

Comply with the lease means the FSS family has not been evicted for repeated or serious violations of the lease; or if they have been evicted for serious or repeated violations of the lease, the family has prevailed in the informal hearing process.

AHA will terminate the FSS COP if HCV program participation is terminated.

5-I.D. CONSEQUENCES OF NONCOMPLIANCE WITH THE CONTRACT

The consequences apply for families who do not meet the terms and conditions of the contract. The regulations require that the contract of participation specify that if the FSS family fails to comply, without good cause, with the terms and conditions of the contract (including compliance with the HCV-assisted lease), the PHA may:

- Withhold supportive services.
- Terminate the family's participation in the FSS program.
- In an HCV FSS program, terminate or withhold the family's HCV program assistance.

- However, the PHA may not terminate or withhold the family's HCV program assistance if the only basis for noncompliance with the contract of participation is noncompliance with the lease or failure to become independent from welfare assistance. Still, failure to become independent from welfare assistance because of failure of the head of household to meet the employment obligation specified in the contract, or failure of the FSS family to meet any other obligation under the contract of participation (except the interim goal concerning welfare assistance) is grounds for the PHA to terminate or withhold HCV program assistance [24 CFR 984.303(b)(5)]. PHA policy regarding termination of HCV program assistance due to failure to comply with the requirements of the COP without good cause is found in Section 5- II.G. of this Action Plan.

AHA Policy

If after an annual case management review, it is determined that the head-of-household has made only a minimal or no effort in pursuing the goals established in their ITSP, AHA has the option of terminating their COP and forfeiting any escrow, upon appropriate written notification to the family.

Prior to completing a COP and ITSP, if an FSS member is terminated from the HCV program for a noncompliance with HCV program regulations, their COP will terminate concurrently, and any accrued escrow will be forfeited.

If upon completion of the COP and ITSP, it is determined that the FSS household is in violation of HCV program regulations, graduation from the program will be denied and any accrued escrow will be forfeited.

PART II. CONTRACT SPECIFICATIONS

5-II.A. OVERVIEW

In addition to making clear the family's obligations under the program, the contract of participation contains specific terms and conditions, including those governing contract modifications, terminations, and grievance procedures. This part describes those specifications and associated policy.

5-II.B. CONTRACT TERM [24 CFR 984.303(c)]

The contract term is five years. This means that the family has no more than five years from the effective date of the COP to fulfill their obligations as specified in the contract. This five-year term requirement will be specified in the COP.

Contract Extension [24 CFR 984.303(d)]

While the term set forth in the contract of participation is for five years, contract extensions are possible. Upon receipt of a written request for an extension, AHA will conduct a review of the case and decide to approve or deny the request. Approval of an extension will be contingent upon verification that the circumstances preventing the

participant from completing their COP within the established timeframe were beyond their control. If approved, the length of the extension is at AHA's discretion, but in no instance will exceed two years.

5-II.C. MODIFICATION OF THE CONTRACT

The COP may be modified upon mutual agreement of the PHA and the FSS family. This includes modifications in writing with respect to the ITSPs, the contract term (See Section 5- II.B. above), and designation of the head of the family [24 CFR 984.303(f)].

AHA Policy
Goals established on the ITSP may be revised at AHA's discretion, providing that:

- The revised goals are comparable to those which were initially established.
- The revised goals can be accomplished within the remaining term of the COP.

5-II.D. COMPLETION OF THE CONTRACT

By regulation, the contract of participation is completed, and a family's participation in the FSS program is concluded when the following occurs [24 CFR 984.303(g)]:

- The FSS family has fulfilled all its obligations under the COP on or before the expiration of the contract term, including any extension thereof.
- 30% of the monthly adjusted income of the FSS family equals or exceeds the published existing housing fair market rent for the size of the unit for which the FSS family qualifies based on AHA's occupancy standards. The COP will be considered completed and the family's participation in the FSS program concluded on this basis even though the contract term, including any extension thereof, has not expired, and the family members who have ITSPs have not completed all activities set forth in their plans.

Policies on verifying completion of the contract of participation can be found in Section 6-I.C. of this Action Plan.

5-II.E. TRANSITIONAL SUPPORTIVE SERVICE ASSISTANCE

Even after a family has completed the contract of participation, a PHA may continue to offer appropriate FSS supportive services to a former FSS family whose head of family is employed. If the family still resides in HCV-assisted housing, these supportive services would be offered for becoming self-sufficient. If the family no longer resides in public housing, HCV-assisted housing, or other assisted housing, these supportive services would be offered for remaining self-sufficient [24 CFR 984.303(j)].

PHA Policy

AHA will continue to offer supportive services to a former FSS family who has completed its contract of participation, and whose head of the family is employed.

5-II.F. TERMINATION OF THE CONTRACT

The COP may be terminated before the expiration of the contract term and any extension of the contract by the following [24 CFR 984.303(h)]:

- Mutual consent of the parties
- Failure of the FSS family to meet its obligations under the contract of participation without good cause, including in an HCV FSS program the failure to comply with the contract requirements because the family has moved outside the jurisdiction of the PHA.
- The family's withdrawal from the FSS program
- Such other act as is deemed inconsistent with the purpose of the FSS program.
- Operation of law
- Termination of HCV program participation

5-II.G. OPTION TO TERMINATE SECTION 8 HOUSING AND SUPPORTIVE SERVICE ASSISTANCE [24 CFR 984.303(i)]

As touched upon in Section 5-I.D. of this Action Plan, the PHA has the option to terminate or withhold HCV housing assistance, supportive services, and the FSS family's participation in the FSS program, if the PHA determines (in accordance with the hearing procedures provided in 24 CFR 982.555) that the FSS family has failed to comply without good cause with the requirements of the contract of participation.

AHA Policy

AHA will not withhold or terminate HCV housing assistance if the PHA determines that the FSS family failed to comply without good cause with the requirements of the COP unless the actions prompting termination of the FSS COP would also, independently, prompt termination of the HCV.

5-II.H. NULLIFICATION OF CONTRACT FOR UNAVAILABILITY OF SUPPORTIVE SERVICES [24 CFR 984.303(e)]

In addition to termination, the contract of participation can also be ended ahead of time because integral supportive services being unavailable. This, however, should only occur as a last resort:

- If a social service agency fails to deliver the supportive services pledged under an FSS family member's individual training and services plan (ITSP), the PHA must make a good faith effort to obtain these services from another agency.

- If the PHA is unable to obtain the services from another agency, the PHA must reassess the family member's needs and determine whether other available services would achieve the same purpose.
- If other available services would not achieve the same purpose, the PHA shall determine whether the unavailable services are integral to the FSS family's advancement or progress toward self-sufficiency.
- If the unavailable services are not integral to the FSS family's advancement toward self-sufficiency, the PHA must revise the ITSP, delete these services, and modify the contract of participation to remove any obligation on the part of the FSS family to accept the unavailable services.
- If the unavailable services are determined to be integral to the FSS family's advancement toward self-sufficiency (which may be the case if the affected family member is the head of the FSS family), the PHA shall declare the contract of participation null and void.

Nullification of the contract of participation based on unavailability of supportive services shall not be grounds for termination of HCV assistance.

5-II.I. GRIEVANCE PROCEDURES

When adverse action is taken by the PHA against a family, the PHA is required to provide an informal hearing in the HCV program [24 CFR 966 subpart B, 24 CFR 982.554].

According to regulatory requirements, the FSS Action Plan must contain the informal hearing procedures available for FSS families against whom the PHA has taken adverse action with regards to FSS [24 CFR 984.201(d)(9)].

AHA Policy

The informal hearing procedures for the FSS program are the same as those adopted for AHA's HCV program. Said procedures are on page 66 of AHA's/HCV Administrative Plan.

Chapter 6

ESCROW ACCOUNT

INTRODUCTION

The establishment of an escrow account is offered as a financial incentive to families for participation in the FSS program. Generally, under this incentive, the amount of an increase in family rent resulting from an increase in earned income is escrowed. That is, usually a family's rent or share of the rent goes up when the family experiences an increase in earned income. In the FSS program, this is still the case, but the part of the rent representing the increase is deposited into an account as an escrow credit. The

funds from this escrow account then become available to FSS families upon successful completion of their contracts of participation.

This chapter explains how the FSS escrow account works, including calculating the amount of the escrow credit and disbursing the funds, and covers the proper way for the PHA to manage and report on the account.

This chapter contains two parts:

Part I: The Escrow Account: This part provides an overview of how the escrow account works, including calculating the escrow credit and disbursing the funds upon completion of the contract of participation.

Part II: Escrow Fund Accounting and Reporting: This part describes the requirements for managing the escrow account, including both accounting and reporting requirements.

PART I. THE ESCROW ACCOUNT

6-I.A. OVERVIEW

As an integral incentive to the FSS program, it is very important to have a clear-cut policy spelling out how the escrow account works. This includes policy regarding the calculation of the FSS credit amount, the disbursement of FSS account funds, the use of account funds for homeownership, and forfeiture of the FSS escrow account.

6-I.B. CALCULATING THE FSS CREDIT AMOUNT

For FSS families who are very low-income families, the FSS credit is the lesser of 30% of current monthly adjusted income less the family rent, or the current family rent less the family rent at the time of the effective date of the contract of participation. The family rent is obtained by disregarding any increases in earned income (as defined in 24 CFR 984.103) from the effective date of the contract of participation. For FSS families who are considered low-income families but not very low-income families, the FSS credit is calculated in the same manner but cannot exceed the amount computed for 50 percent of the median income [24 CFR 984.305(b)(1)].

FSS families who are not low-income families are not entitled to any FSS credit [24 CFR 984.305(b)(2)].

Determination of Family Rent and Total Tenant Payment

For purposes of determining the FSS credit, family rent is 30 percent of adjusted monthly income [24 CFR 984.305(b)(1)].

Increases in FSS Family Income [24 CFR 984.304]

As described in the FSS credit calculations above, any increases in family earned income resulting in increases in family rent become deposited in the escrow account. For this reason, and because of the nature of the FSS account, any increase in the earned income of an FSS family during its participation in an FSS program may not be considered as income or a resource for purposes of eligibility of the FSS family for other benefits, or amount of benefits payable to the FSS family, under any other program administered by HUD, unless the income of the FSS family equals or exceeds 80 percent of the area median income (as determined by HUD, with adjustments for smaller and larger families).

Cessation of FSS Credit [24 CFR 984.305(b)(3)]

The PHA will not make any additional credits to the FSS family's FSS account when the family has completed the contract of participation, or when the contract of participation is terminated or otherwise nullified.

6-I.C. DISBURSEMENT OF FSS ACCOUNT FUNDS

Disbursement at Completion of Contract [24 CFR 984.305(c)(1)]

When the contract has been completed according to regulation, the amount in an FSS account more than any amount the FSS family owes to the PHA will be paid to the head of the FSS family. However, to receive the disbursement, the head of the FSS family must submit a certification (as defined in §984.103) to the PHA at the time of contract completion that, to the best of his or her knowledge and belief, no member of the FSS family is a recipient of welfare assistance.

Disbursement before Expiration of Contract Term

FSS account funds may also be disbursed before the end of the contract term. If the PHA determines that the FSS family has fulfilled its obligations under the contract of participation before the expiration of the contract term and the head of the FSS family submits a certification that, to the best of his or her knowledge, no member of the FSS family is a recipient of welfare assistance, the amount in the family's FSS account in excess of any amount the family owes to the PHA will be paid to the head of the FSS family [24 984.305(c)(2)(i)].

Verification of Family Certification at Disbursement

Before final disbursement of the FSS account funds to the family, the PHA may verify that the FSS family is no longer a recipient of welfare assistance by requesting copies of any documents which may indicate whether the family is receiving any welfare assistance, and by contacting welfare agencies [24 CFR 984.305(c)(3)].

HUD provides verification guidance in Notice PIH 2010-19. This guidance is mandatory for the HCV program. AHA's Administrative Plan contains verification

policies following the hierarchy in this notice. The policies contained in AHA's Administrative Plan cover verification policies related to the FSS program in general.

Succession to FSS Account [24 CFR 984.305(d)]

FSS account funds should be disbursed to the head of the FSS family. However, if the head of the FSS family no longer resides with the other family members in the HCV-assisted unit, the remaining members of the FSS family, after consultation with the PHA, have the right to designate another family member to receive the funds.

6-I.D. USE OF FSS ACCOUNT FUNDS FOR HOMEOWNERSHIP

According to regulation, an FSS family may use its FSS account funds for the purchase of a home, including the purchase of a home under one of HUD's homeownership programs, or other federal, state, or local homeownership programs, unless the use is prohibited by the statute or regulations governing the homeownership program [24 CFR 984.305(e)].

Homeownership is just one option for use of the FSS account funds. PHAs may not restrict the use of escrow funds at contract completion [Notice PIH 93-24, C-13].

6-I.E. FORFEITURE OF FSS ACCOUNT FUNDS

Amounts in the FSS account will be forfeited when the contract of participation is terminated, or when the contract of participation is completed by the family (see Section 5-II.D. of this a Action Plan) but the FSS family is receiving welfare assistance at the time of expiration of the term of the contract of participation, including any contract extension [24 CFR 984.305(f)(1)].Treatment of Forfeited FSS Account Funds

Treatment of Forfeited FSS Account Funds

In the HCV program, forfeited FSS account funds will be treated as program receipts for payment of program expenses under the PHA budget for the program, and will be used in accordance with HUD requirements governing the use of program receipts [24 CFR 984.305(f)(2)(i)].

PART II. ESCROW FUND ACCOUNTING AND REPORTING

6-II.A. OVERVIEW

Regulations set forth specific requirements involving the accounting and reporting for the FSS escrow account. This part describes those requirements and the PHA policy necessary for managing the account from the PHA perspective.

6-II.B. ACCOUNTING FOR FSS ACCOUNT FUNDS

When establishing FSS escrow accounts, the PHA must deposit the FSS account funds of all families participating in the PHA's FSS program into a single depository account for each HCV program. In addition, the funds held in this account must be invested in one or more of the HUD-approved investments [24 CFR 984.305].

The total of the combined FSS account funds will be supported in the PHA accounting records by a subsidiary ledger showing the balance applicable to each FSS family. During the term of the contract of participation, the PHA periodically, but not less than annually, credits the amount of the FSS credit (see Section 6-I.B.) to each family's FSS account [24 CFR 984.305(a)(2)(i)].

Reduction of Amounts Due by FSS Family [24 CFR 984.305(a)(2)(iii)]

If the FSS family has not paid the family contribution towards rent, or other amounts, if any, due under the HCV-assisted lease, the balance in the family's FSS account shall be reduced by that amount (as reported by the owner to the PHA in the HCV FSS program) before prorating the interest income. If the FSS family has fraudulently underreported income, the amount credited to the FSS account will be based on the income amounts originally reported by the FSS family.

6-II.C. REPORTING ON THE FSS ACCOUNT

Each PHA is required to make a report, at least once annually, to each FSS family on the status of the family's FSS account.

At a minimum, the report must include [24 CFR 984.305(a)(3)]:

- The balance at the beginning of the reporting period
- The amount of the family's rent payment that was credited to the FSS account, during the reporting period.
- Any deductions made from the account for amounts due the PHA before interest is distributed.
- The amount of interest earned on the account during the year.
- The total in the account at the end of the reporting period

AHA will provide FSS participants an annual statement on the status of their FSS escrow account.

Chapter 7

PORTABILITY IN HOUSING CHOICE VOUCHER FSS PROGRAMS

INTRODUCTION

PHAs operating HCV FSS programs must be familiar with the rules and regulations regarding portability under the HCV program. As with the case of portability in the HCV program in general, the FSS family may move outside the initial PHA jurisdiction under portability procedures after the first 12 months of the FSS contract of participation [24 CFR 984.306].

If an FSS family chooses to exercise portability, certain special requirements regarding the FSS program would apply. This chapter describes the obligations of the initial PHA, the receiving PHA, and the FSS family under portability, in addition to any special stipulations regarding portability in the FSS context.

This chapter contains two parts:

Part I: Portability in the FSS Program: This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

Part II: The Effects of Portability on FSS Regulations and Policy: This part describes the specific ways in which portability affects different aspects of the FSS program, including the escrow account, program termination, loss of the FSS account, and termination of HCV program assistance.

PART I: PORTABILITY IN THE FSS PROGRAM

7-I.A. OVERVIEW

Portability is a statutory feature of the HCV program—it is included in the law. As such, PHAs operating an HCV FSS program need to understand the effects that portability will have on HCV FSS families and program operation. This part provides a general overview of portability in the FSS program, including the residency requirements for FSS portability and management of the contract of participation when a family moves into or from another PHA's jurisdiction.

7-I.B. DEFINITIONS

For the purposes of portability with regards to the FSS program, the following definitions will be used [24 CFR 982.4, 24 CFR 984.306].

- *Initial PHA* means 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.

- *Receiving PHA* means a PHA that receives a family selected for participation in the tenant-based program of another PHA. The receiving PHA either absorbs the family into its program, including issuing a voucher and providing rental assistance to the family, or bills the initial PHA for the family's housing assistance payments and the fees for administering the family's voucher.
- *Relocating FSS Family* refers to an FSS family that moves from the jurisdiction of a PHA at least 12 months after signing its contract of participation.

7-I.C. RESIDENCY REQUIREMENTS

Families participating in an HCV FSS program are required to lease an assisted unit within the jurisdiction of the PHA that selected the family for the FSS program for a minimum period of 12 months after the effective date of the contract of participation. However, the initial PHA may approve a family's request to move outside its jurisdiction under portability during this period [24 CFR 984.306(b)(1)].

AHA Policy

AHA will approve a family's request to move outside its jurisdiction under portability during the first 12 months after the effective date of the COP if needed for training, education, employment, and/or any other "good cause".
After the first 12 months of the FSS contract of participation, the FSS family may move outside the initial PHA jurisdiction under portability procedures regardless of PHA approval [24 CFR 984.306(b)(2)]

7-I.D. CONTRACT OF PARTICIPATION

FSS Participation outside AHA Jurisdiction

When an FSS participant moves outside of AHA's jurisdiction, AHA, as the initial issuing Housing Authority (IHA), will take one of the following actions:

- Transfer FSS escrow account funds to the Receiving Housing Authority (RHA), upon receiving written notification that AHA's FSS household has been absorbed, received a new HCV, and entered a new COP/ITSP with the RHA for the remaining term of their original COP.

- Terminate the COP and forfeit any escrow funds, if the FSS household is unable to complete their COP and ITSP with AHA, and continuing participation with the RHA FSS program is not an option or is declined.

Participation in the FSS Program of the Receiving PHA

When a family moves into the jurisdiction of another PHA, the relocating FSS family may participate in the FSS program of the receiving PHA if the receiving PHA allows

the family to do so. However, a PHA is not obligated to enroll a relocating FSS family in its FSS program [24 CFR 984.306(d)(1)].

When a household moves into AHA's jurisdiction and the head of household wishes to participate in FSS, AHA may absorb the household in compliance with HUD portability procedures.

If the head of household has an existing COP with the IHA, they may elect to transfer participation to AHA or initiate a new COP to participate with AHA. [24 CFR 984.306(d)(2)].

Chapter 8

GRIEVANCE HEARING PROCEDURES FOR FSS FAMILIES

PROGRAM TERMINATION

The "Contract of Participation" will be reviewed on a regular basis by the FSS Coordinator. The family will be contacted on a regular basis to see if they are complying with their contract. If the family is not in compliance with the contract, supportive services may be withheld, or participants may be terminated from the FSS program. If this happens, AHA will offer the family an opportunity for an informal hearing and handled according to FSS Program guidelines. The family is entitled to present a grievance in accordance with the Public Housing's grievance procedure.

If a participant fails to comply with the program according to their Contract and ITSP, the family is placed on probation for no less than thirty (30) days. The steps are as follows:

1. The FSS participant will receive an appointment letter via certified mail, to ensure delivery, from the FSS Coordinator to discuss the probation terms.
2. The FSS participant will have five (5) business days to respond to the appointment letter to confirm the appointment or reschedule to a more convenient time.
3. The FSS Coordinator and FSS participants will set reasonable tasks/goals the participant can achieve during the thirty (30) day probationary period. If the participant fails to comply with the agreed upon terms within those thirty (30) days, the Contract of Participation will be terminated.
4. The FSS participant will receive a Notice of Probation letter with the effective dates and the terms of the probation.
5. If a FSS participant is terminated, he/she Mill receive a Notice of Termination with an explanation and effective date of the termination. The notice will be sent via certified mail to ensure delivery.
6. Any FSS participant that is terminated from the FSS program has the right to request a grievance hearing. The participant must make the request in writing within five (5) business days of receipt of the Notice of Termination. The established AHA Grievance Procedure will be followed to resolve any resident issues and concerns regarding termination.

A family may be put on probation only twice during their participation in the AHA FSS program. The Contract of Participation is automatically terminated if the family is terminated from the Section 8 Rental Assistance program or Public Housing. The Contract may be terminated before the expiration of the contract term and any extension if the FSS participant withdraws from the AHA FSS program. In all Cases, the AHA FSS escrow account reverts to the Anniston Housing Authority for its use.

Appendix "I"

ANNISTON HOUSING AUTHORITY
HOUSING CHOICE VOUCHER PROGRAM
BED BUG POLICY

Bed bugs are a growing national problem, and as a result, this policy has been created for the Public Housing program. The purpose of this policy is to set forth the roles and responsibilities of all parties (AHA, Resident, and Landlord) in minimizing the potential for bed bugs. The policy will also provide guidance in cases where bed bugs are present in order to eliminate them as quickly as possible.

Bed bugs are difficult to contain without the proper treatment. Therefore it is imperative that all parties (AHA, Resident, and Landlord) work simultaneously toward a common goal, extermination and elimination. Left untreated bed bugs can spread throughout a residence affecting current and future residents.

Landlord Roles and Responsibilities:

The Housing Assistance Payment (HAP) contract requires the landlord to maintain the contract unit and its premises in accordance with Housing Quality Standards (HQS). If bed bugs are present, it is the responsibility of the landlord, as stated in the HQS (CFR 982.401), to ensure that the dwelling unit and its equipment be in sanitary condition and free of vermin and rodent infestation. In order to comply with the HQS, if the presence of bed bugs is suspected, the landlord must notify AHA immediately and it is strongly recommended that the landlord contact an extermination professional for an immediate inspection. If the landlord chooses to perform their own initial inspection, AHA has created a "Landlord Inspection Checklist" that may assist in the assessment of potential problems. If treatment is deemed necessary, a copy of the contract the landlord entered into with the extermination professional (including all treatment performed) must be provided to AHA by the landlord within 48 hours of initial determination that treatment is required. In addition, the landlord must complete the "Landlord Certification Statement" document and send to AHA within 72 hours of the initial determination that treatment is required.

Failure to comply with the above requirements is a direct violation of the HAP contract and may result in abatement, suspension or termination of housing assistance payments, termination of the HAP contract, and suspension of eligibility to participate in the Housing Choice Voucher program.

Resident Roles and Responsibilities:

The HAP contract requires the resident to keep the unit and its premises free from damage. Therefore, if the presence of bed bugs is suspected, it is the resident's responsibility to notify the landlord and AHA immediately in order to minimize any potential damage to the unit. In addition, it is the responsibility of the resident to work cooperatively with the landlord

and/or extermination professional to ensure the successful elimination of bed bugs. Resident non-compliance may result in the loss of their Housing Choice Voucher.

If the resident notifies the landlord of the presence of bed bugs and the landlord fails to take action within a reasonable period of time, the resident should notify AHA. AHA will assist the resident in relocation if it is deemed necessary and appropriate. Prior to relocation, AHA will notify new landlord of resident's prior exposure to bed bugs. In addition, the resident must complete all items on the "Relocation Task List" document.

AHA Roles and Responsibilities:

AHA will ensure the landlord maintains the unit within HQS guidelines and provide guidance on the resolution of any potential bed bug problems. AHA will assist in resident relocation, including the scheduling of move's, if it has been determined relocation is necessary and appropriate. When relocation is necessary, AHA will ensure the resident completes the "Relocation Task List" prior to relocation in order to minimize the transfer of bed bugs to the new unit. AHA will also require all program participants and landlords to disclose at intake, recertification, and inspection all exposure to bed bugs within the last twelve month period.

Appendix "J"

Criminal Records Management Policy

Criminal Records Management Policy

Anniston Housing Authority (hereinafter referred to as HA)

All adult applicants and tenants shall complete an Authorization for Background Check through TruDiligence screening service. The background checks are processed through the Scott Accounting Software System (SACS).

Before the HA takes any adverse action based on a criminal conviction record, the HA must provide the applicant or tenant with an opportunity to dispute the accuracy or relevancy of the record. The hearing is afforded to each applicant that is denied admission and provides the applicant with the opportunity to dispute any information used to deny an applicant admission to public housing.

The AHA will provide a copy of the criminal record to the applicant prior to denying admission based on that criminal record at no charge. Citations: 24 CFR 960.204(c)

If the applicant fails to contact the AHA for a copy of the criminal background check within the AHA's designated period of time, a denial letter will follow.

The HA will keep all criminal records received confidential and not misuse or improperly disseminate the information. Criminal records of any adult applicant/tenant which are used as the basis of denying tenancy or eviction are confidential and shall not be disclosed to any person or entity other than for official use or for use in court proceedings. The term adult means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law. **Said records shall be maintained in separate files and shall be kept in a locked, secured location.**

Records shall be destroyed once action is taken and any grievance procedure, or court proceedings is completed. **A notice of record destruction shall be maintained in a separate file.**

The HA will pay reasonable fees charged by TruDiligence screening service for providing the information. The applicant or tenant may not be charged for any expenses related to the investigation.

Appendix "K"

Anniston Housing Choice Voucher Program Obligations

As a family receiving assistance through the HCV/Section 8 Program, you have certain obligations. You are required to follow program rules, comply with the terms of the lease, maintain a safe and clean unit, and be a good neighbor. All of the rules related to your participation in the voucher program are explained in this document called Family Obligations. Families who fail to comply with Family Obligations may be terminated from the voucher program. For this reason, it is important that you read this document carefully and make sure you understand it before signing it.

Under the term of the voucher:

1. The family is required to supply such certification, release of information or documentation as the HCV/Section 8 Program determines necessary in the administration of the program, including information required by the HCV/Section 8 Program for a regularly scheduled reexamination or interim reexamination of family income and composition or pursuant to a quality control review or a U.S. Department of Housing and Urban Development (HUD) audit in accordance with HUD requirements. Any information the family supplies must be true and complete.
   a) Within 30 days, the family must notify the HCV/Section 8 Program in writing of the birth, adoption, or court awarded custody of a child.
   b) **The family must request both the HCV/Section 8 Program's and the owner's written approval prior to adding any other family member as an occupant to the unit.** Only the HCV/Section 8 Program and owner approved members of the family may reside in the subsidized unit.
   c) Within 30 days, the family must notify the HCV/Section 8 Program in writing if any family member no longer lives in the unit, including a death of any member of the household. The family member must provide certification of information.
   d) **Within 10 days, the family must notify the HCV/Section 8 Program in writing when there is an increase in household income such as, but not limited to, new employment, new social security benefits, and self-employment such as day care provider.** Family members are not required to report the annual Social Security % increase nor a raise in their hourly employment income; **however, they are required to report a change in status of employment from part-time to full-time employment.**
2. The family must use the assisted dwelling unit solely for residence by the family and it must be the family's principal place of residence.
   a) The family must not assign the lease or transfer the unit.
   b) The family must not sublease or sublet the unit.
   c) The family must request and receive prior written approval from the HCV/Section 8 Program to change the head of household.
3. The family must report and obtain prior written approval from the HCV/Section 8 Program if any household member will be absent from the assisted unit more than 30 days.

a) The family must supply any information requested by the HCV/Section 8 Program to verify that any family member is living in the unit and the family must supply any information related to the absence of any family member from the unit.
b) Family members must not leave the unit for more than 30 days for a reason other than documented medical need or without prior written approval.
c) In no case, may any family member be absent from the assisted unit for more than 180 days.

4. The family must provide written notification to the owner and the HCV/Section 8 Program at least 30 days before vacating an assisted unit and provide the HCV/Section 8 Program with a copy of the 30-day notice that the family submitted to the owner.
   a) The family must report to the HCV/Section 8 Program any absence of the entire household of more than 30 days; that is circumstances in which all family members are absent and the unit has no occupants.
   b) The entire household must not leave the unit for more than 90 days for a reason other than medical need and without prior written approval from the HCV/Section 8 Program.
   c) A family who vacates a unit in violation of program or the lease, owes a balance to the owner or to the HCV/Section 8 Program for unpaid rent or damages, and refuses to enter into or meet the terms of a repayment agreement will be considered ineligible for continued assistance.
5. **If the family has entered into a repayment agreement with the HCV/Section 8 Program and/or owner, the family must make payments as scheduled and outlined in the agreement.**
6. **The family must maintain the assisted unit in accordance with Housing Quality Standards (HQS).**
   a) The family must allow the HCV/Section 8 Program and/or owner to inspect the dwelling unit at reasonable times and after reasonable notice, and the family must allow the owner/landlord access to the unit to make repairs.
   b) The family must pay tenant-supplied utilities and supply and maintain appliances that the owner is not required to supply under the lease.
   c) The family must not damage the unit or premises, excluding ordinary wear and tear; and must not permit any guest to damage the unit and premises.
   d) Within 24 hours, the family must correct any life-threatening HQS violations that they have caused and within 30 days, correct any other HQS violations that they have caused.
7. The family must sign a consent form (if requested by the HCV/Section 8 Program) authorizing the HCV/Section 8 Program to: 1. receive information on the family's current utility account.
8. **The family including each member of the household is prohibited from receiving HCV/Section 8 Program assistance while residing in a unit owned by a spouse, parent, child, grandparent, grandchild, sister, brother, or in-law of any member of the family unless the HCV/Section 8 Program has determined and has notified the owner and the family of such determination that approving rental of the unit would**

provide reasonable accommodation for a family member who is a person with disabilities.

9. The family including each family member cannot receive assistance under the HCV/Section 8 Program while occupying or receiving assistance for occupancy of any other unit under the federal, state, or local housing assistance program.
10. **The family must comply with the terms of the lease and not commit serious or repeated violations of the lease, including behaviors that affect the health, safety, or right of peaceful enjoyment of other residents and persons in the immediate vicinity of the premises.** Families evicted for cause will be terminated from the program. The family must give the HCV/Section 8 Program a copy of any owner eviction notice.
11. The family must not commit fraud, bribery, or any other corrupt criminal act in connection with the HCV/Section 8 Program.
12. The family, including each family member; must not engage in any drug-related criminal activity, violent criminal activity, or illegally possess weapons.
13. The family and its guests must not engage in any drug-related criminal activity, violent criminal activity, or other criminal activity or the abuse of alcohol that threatens the health, safety, or the right of peaceful enjoyment of other residents and persons in the immediate vicinity of the premises.
14. **The family and its guests must not engage in abuse or violent behavior toward the HCV/Section 8 Program personnel or its representatives.**

I have read the above family obligations and I understand my obligations under the programs. I also understand any violation of my Family Obligations may result in my family's termination from the program.

Head of Household Print Name: _____

Signature: _____

Date: _____

Anniston Housing Authority
PO Box 2225
Anniston, AL 36202
Phone: 256-237-2268

Appendix "L"

DEBTS AND REPAYMENT AGREEMENTS

This Appendix describes Anniston Housing Authority's (AHA) policies for the recovery of funds that have been overpaid.

A. **File Documentation:**

Before a debt is assessed against a participant or owner, the Housing Authority's claim that a debt is owed must be properly documented. Documentation will include a clear written explanation of the method used to calculate the debt. The debt file, with all supporting documentation, will be made available to the participant or owner who owes the debt.

B. **Methods of Debt Collection**

Every effort shall be made to collect all debts owed to the Housing Authority. Collection methods may include:

1. Demands for lump sum payments;
2. Execution of a repayment agreement;
3. Partial abatements when appropriate;
4. Use of collection agencies; and
5. Securing judgments.

C. **Repayment Agreements for Participants**

A repayment agreement is a written agreement entered into between the Housing Authority and a program participate who in indebted to the Housing Authority. It shall contain a promise to repay the debt, details regarding the nature of the debt, the terms of repayment, any special provisions, and the remedies available to the Housing Authority in the event of a default by the debtor.

1) **Housing Authority May Decline to Enter into a Repayment Agreement**

The Housing Authority, at its sole discretion, may enter into repayment agreements with participants or owners. The Housing Authority will generally not enter into repayment agreements when:

1. The participant has already entered into a previous repayment agreement and still has an outstanding debt balance with the Housing Authority.
2. The Housing Authority determines that the participate has committed or has attempted to commit program fraud; or

3. The Housing Authority determines that the amount owed is more than the participant can repay in a reasonable period while still remaining in compliance with HUD's affordability guidelines concerning repayment agreements.

D. Terms and Condition of Repayment Agreements

The Housing Authority shall prescribe the terms and conditions of any repayment agreement.

1) Term

The repayment agreement term will typically range from 6 to 48 months but shall in any event be the minimum time in which the participant can be reasonably expected to repay the debt owed.

2) Monthly Payments

The monthly payment will typically be greater than $25 or the total amount due divided by the number of moths in the term of the payment agreement. The Housing Authority will ensure that the combined actual family share and monthly repayment amount do not exceed 40% of the household's adjusted monthly income.

The Housing Authority may approve a decrease or temporary [up to 6 months] deferral of the monthly repayment for participants who experience a hardship [such as loss of income or a medical situation], provided that the participate requests the hardship in a reasonable time, provides verification of the hardship, and has followed the terms of the repayment agreement until the hardship occurred. The change in monthly payment shall be documented as an attachment to the repayment agreement and shall be signed by the housing specialist and the participant. The term of the repayment agreement shall be lengthened accordingly.

3) Execution

Repayment agreements shall be executed by the head of the household and, for the Housing Authority, by the housing specialist.

4) Cashier check or Money Order Only

The Housing Authority will accept cashier's checks or money orders as payment toward participate debt.

5) Late Payments/Default/Termination of Assistance

Payments shall be delinquent if not received by the Housing Authority during the calendar month due. Failure to make any payment before it is delinquent shall constitute a default under the repayment agreement.

Participants with delinquent payments will not be able to recertify for continued assistance unless they become current on their repayment agreement.

Failure to comply may result in termination of the participant's assistance, the Housing Authority may pursue any available remedy, including filing a civil action, to collect the remaining balance owed at termination.

E. Request to Move or Port from Participants with Debts

No move will be approved unless the family is current on their repayment agreement or the debt is paid in full, unless the request to move is a result of one of the following causes:

1. Family size exceeds the HQS maximum occupancy standards;
2. The HAP contract is terminated due to owner non-compliance or opt-out;
3. A man-made or natural disaster;
4. The move is pursuant to a reasonable accommodation request approved by the Housing Authority;
5. The family or a member of the family is or has been the victim of domestic violence, dating violence, sexual assault, or stalking, and move is needed to protect the health or safety of the family member; OR
6. Other exceptional circumstances, to be reviewed by the Housing Authority.

The Housing Authority may still require that a repayment agreement be current before issuing a voucher to move in these cases.

The Housing Authority will not grant portability requests made by families with outstanding debt balances, unless the family or a member of the family is or been the victim of domestic violence, dating violence, sexual assault, or stalking, and moving out of the jurisdiction is needed to protect the health or safety of the family or family member.

F. Owner debts to the Housing Authority

If an owner has received HAP to which the owner is not entitled, the Housing Authority may recover such amounts from future HAP payments owed to the owner.

If future HAP payments are insufficient to recover the amounts owed in a reasonable time, the Housing Authority may:

1. Demand that the owner pay the amount in full within 30 days;
2. Enter into a repayment agreement with the owner for the amount owed;
3. Refer the debt to a collection agency;
4. Prohibit the owner's future participation in the program; or
5. File a lawsuit to recover the debt.

1) Owner Fraud

If an owner has been overpaid because of fraud, misrepresentation, or violation of a HAP contract, the Housing Authority may terminate the contract, seek restitution and/or refer the case for criminal prosecution.

G. Referrals in the Case of Fraud

When fraud is involved, the Housing Authority may refer a participant's or owner's case to the HUD Inspector General, the U.S. Attorney, or the City Attorney, in addition to pursuing any available civil remedy against the participant or owner.

H. Maintaining Debt Records

The Housing Authority will keep a record of all debts owed for reference in reviewing applications to the HCV/ Section 8 program and other housing program it administers.

1) Debts Owed to Public Housing Authorities (PHAs) and Termination Module

HUD has established a national database to serve as a repository for debt and termination information on former participants of HCV/Section 8 housing assistance programs. It is

mandatory that each local PHA and housing provider designate at least one staff person to enter information into the Debts Owed database.

The Housing Authority will adhere to the following practices when entering debt/termination information into the Debts Owed database.

1. Debt/Termination information is not entered into Debts Owed database until an End OF Participation [EOP] action has been entered in the Public and Indian Housing Information Center [PIC] for the former participant;
2. Debt/Termination information is entered within 90 days from the EOP date;
3. Debt/Termination information is maintained in Debts Owed database for a period of up to 10 years;
4. Families who have never, or who no longer, warrant being in the database are removed following HUD guidelines;
5. The Housing Authority can only modify a participant record up to 3 times, so debt records will not be modified as payments are being made; and
6. The debt record will be removed from the Debts Owed database when it has been paid in full.

Appendix "M"

Housing Opportunity Through Modernization Act (HOTMA)

HOTMA Sections 102 Income Reviews and 104 Limitation on Eligibility based on assets Final Rule:

This is an overview of the changes related to income reviews and asset limitations from the implementation of HOTMA Sections 102 and 104.

Income Definitions — 24 CFR 5.609 (a): Income is now defined broadly with an expanded and clarified list of income exclusions. Annual income includes all amounts received from all sources by each adult family member 18 years or older or the head of household or their spouse, plus unearned income by or on behalf of each dependent under 18 years, plus income from assets.

- **Income Exclusions — 24 CFR 5.609(b):** See the Income and Exclusions Resource Sheet for the list of all excluded amounts.
- **Student Financial Assistance — 24 CFR 5.609(b)(9):** See the Student Financial Assistance Resource Sheet for information on deductions, exclusions, and calculating exclusions.

Income from Assets — 24 CFR 5.609(a): In general, income from assets is considered income. If it is possible to calculate actual returns from an asset, the PHA should use that amount. If it is not possible to calculate an actual return on an asset, the PHA must impute income from assets based on the current passbook savings rate as determined by HUD when the family has net assets over $50,000 (adjusted annually by CPI-W). See the Asset Resource Sheet for the list of all excluded amounts.

Calculation of Income — 24 CFR 5.609(c): For initial occupancy/assistance and interim reexaminations, the PHA must estimate the family income for the upcoming 12-month period using current income. For all annual reexaminations, the PHA must determine the family income for the previous 12-months **unless** using a streamlined income determination, taking into account any redetermination from an interim reexamination and any unaccounted-for income changes.

Interim Income Reexaminations — 24 CFR 960.257(b), 982.516(c), and 882.515(b): A family may request an interim reexamination because of family income or composition changes since the last examination. An interim reexamination should be conducted when a family's adjusted income decreases by 10% or more (or lower threshold per HUD or PHA policy). An interim reexamination should also be conducted when a family's adjusted income increases by 10% or more; however, the PHA may not consider any increase in the *earned* income of the family when estimating or calculating whether the family's adjusted income has increased, unless the family has previously received an interim reduction during the certification period. See the **Interim Reexaminations Fact Sheet**.

Safe Harbor: Income Determinations from Other Programs — 24 CFR 5.609(c)(3): The PHA may determine a family's pre-deduction income based on income determinations made by other means-tested federal public assistance programs within the previous 12-months. PHAs are not required to use this method.

Eliminates the Earned Income Disregard: Only families already participating in EID on the effective date of the final rule may continue receiving the benefits up to 2 years from that date. Families receiving the Jobs Plus Earned Income Disregard pursuant to the FY2022 NOFO or earlier may continue to receive the EID under the terms of the NOFO.

Mandatory Deductions — 24 CFR 5.611 (a)(1) -(a)(2): Changes the mandatory deduction amounts to $480 per dependent and $525 per elderly and disabled family. These amounts are 2024 figures, adjusted annually for inflation and rounded to the next lowest multiple of $25.

Health and Medical Expense Deduction — 24 CFR 5.611(a)(3): Increases the threshold for the deduction of unreimbursed health and medical care expenses plus unreimbursed reasonable attendant care and auxiliary apparatus expenses that enable employment to 10% of annual income.

Permissive Deductions — 24 CFR 5.611(b): A PHA may adopt, through written policies, additional deductions from annual income. PHAs will not be eligible for additional HUD funding based on application of these deductions.

Hardship Exemptions to the Health and Medical Expenses Deduction — 24 CFR 5.611(c)(1) -(c)(2): There are two categories of hardship exemptions to the new 10% threshold for unreimbursed health and medical expenses: a phase-in for families already receiving a deduction for expenses over 3% of their income and a general hardship exemption.

Exemption to Continue the Child Care Expense Deduction — 24 CFR 5.611(d): A family whose eligibility for the childcare expense deduction is ending may request a financial hardship exemption to continue the deduction.

Limitation on Assets — 24 CFR 5.618(a): The new rule restricts families from receiving public housing or Section 8 benefits if their net family income exceeds $100,000 (as adjusted annually) or if the family owns real property deemed suitable for the family to live in.

Exclusion from Assets — 24 CFR 5.603(b)(3): There are new exclusions from assets, including related to necessary items of personal property, non-necessary items of personal property when the total value does not exceed $50,000 (as adjusted), and real property that the family does not have the legal authority to sell.

Software Changes

- HUD is in the process of replacing PIC with the Housing Information Portal (HIP)
- HUD is also changing the 50058
- The current 50058 and PIC are not set up for the changes in HOTMA
- HUD has been working with software vendors to prepare for the conversion
- The PHA cannot transition to HOTMA until:
  - Implementation guidance is issued
  - HUD releases a new 50058
  - The HIP system is operational and accepting certifications
  - The PHA's software has transitioned.

Housing Opportunity Through Modernization Act (HOTMA) AHA Policy

On February 14, 2023, HUD enacted Section 103 of the Housing Opportunity Through Modernization Act (HOTMA) regarding income limits for the Public Housing program. PHAs are required to implement updates to agency plans for this Section within (120) days of enactment. The following revisions to AHA's Public Housing Admissions and Continued Occupancy Policy (ACOP) are proposed to be effective immediately upon board approval.

OVER INCOME FAMILIES [24 CFR 960.507; FR Notice 7/26/18; Notice PIH 2019-11; FR Notice 2/14/23

In the public housing program, an over-income family is defined as a family whose income exceeds the over-income limit for 24 consecutive months. When this occurs, the PHA must either:

- Terminate the family's tenancy within six months of the PHA's final notification of the end of the 24-month grace period; or

- Within 60 days of the PHA's final notification of the end of the 24-month grace period or the next lease renewal (whichever is sooner), have the family execute a new lease that is consistent with 24 CFR 960.509 and charge the family a monthly rent that is the higher of the applicable fair market rent (FMR) or the amount of monthly subsidy for the unit, including amounts from the operating and capital funds.

AHA Policy

For families whose income exceeds the over-income limit for 24 consecutive months, the AHA will terminate the family's tenancy.

Over-Income Limit [Notice PIH 2019-11]

The PHA must publish over-income limits in their Admission and Continued Occupancy Policy (ACOP) and update them no later than 60 days after HUD publishes new income limits each year. The over-income limit is determined by multiplying the applicable very low-income (VLI) by a factor of 2.4, as adjusted for family size.

AHA Policy

The AHA will use the income limits that are provided by HUD. These income limits will be updated within 60 days of HUD publishing each year and will be effective for all annual and interim reexaminations.

Anniston-Oxford-Jacksonville, AL MSA $73,600
Very Low (50%) Income Limits ($)
Effective April 1, 2024

FY 2024 Income Limit Category	Persons in Family							
	1	2	3	4	5	6	7	8
	25,800	29,450	33,150	36,800	39,750	42,700	45,650	48,600

HOTMA income limits Median income @ 2.4 per household size:

	1	2	3	4	5	6	7	8
	61,920	70,680	79,560	88,320	95,400	102,480	109,560	116,640

NOTE: **Calhoun County** is part of the **Anniston-Oxford-Jacksonville, AL MSA**, so all information presented here applies to all of the Anniston-Oxford-Jacksonville, AL MSA.
The **Anniston-Oxford-Jacksonville, AL MSA** contains the following areas: Calhoun County, AL;

Decreases in Income [24 CFR 960507(c)(4)]
If, at any time during the consecutive 24-month period following the initial over-income determination, the PHA determines that the family's income is below the over-income limit, the PHA's over-income policies no longer apply to the family. If the PHA later determines that the family's income exceeds the over-income limit at a subsequent annual or interim reexamination, the family is entitled to a new 24 consecutive month period and new notices under this section.

AHA Policy
If, at any time during the 24-month period following the initial over-income determination, an over-income family experiences a decrease in income, the family may request an interim redetermination of rent in accordance with AHA policy Chapter XI.

If, as a result, the previously over-income family is now below the over-income limit, the family is no longer subject to over-income provisions as of the effective date of recertification. The AHA will notify the family in writing within 10 business days of the determination that over income policies no longer apply to them.

Initial Notice of Over-Income Status [24 CFR 960.507(c)(1)]
If the PHA determines the family has exceeded the over-income limit during an annual or interim reexamination, the PHA must provide written notice to the family of the over-income determination no later than 30 days after the income examination. The notice must state that the family has exceeded the over-income limit and continuing to exceed the over-income limit for a total of 24 consecutive months will result in the PHA following its continued occupancy policy for over-income families. The PHA must afford the family an opportunity for a hearing if the family disputes within a reasonable time the PHA's determination that the family has exceeded the over-income limit.

AHA Policy

At annual or interim reexamination, if a family's income exceeds the applicable over-income limit, within 10 business days the AHA will notify the family in writing of the determination and that if the family continues to be over-income for 24 consecutive months, the family will be subject to the AHA's over-income policies. The notice will state that the family may request a hearing if the family disputes the AHA's determination in accordance with AHA policies Chapter XVI.

Second Notice of Over-Income Status [24 CFR 960.507(c)(2)]

The PHA must conduct an income examination 12 months after the initial over-income determination, unless the PHA determined the family's income fell below the over-income limit since the initial over-income determination. If the PHA determines the family has exceeded the over-income limit for 12 consecutive months, the PHA must provide written notification of this 12-month over-income determination no later than 30 days after the income examination that led to the 12-month over-income determination. The notice must state that the family has exceeded the over-income limit for 12 consecutive months and continuing to exceed the over-income limit for a total of 24 consecutive months will result in the PHA following its ACOP for over-income families. Additionally, if applicable under PHA policy, the notice must include an estimate (based on current data) of the alternative non-public housing rent for the family's unit. The PHA must afford the family an opportunity for a hearing if the family disputes within a reasonable time the PHA's determination that the family has exceeded the over-income limit.

AHA Policy

If a family's income exceeds the applicable over-income limit after 12 consecutive months, within 10 business days, the AHA will notify the family in writing of the determination and that if the family continues to be over-income for 24 consecutive months, the family will be subject to the AHA's over-income polies. The notice will provide an estimate of the alternative non-public housing rent applicable to the family at the close of the 24 consecutive month period. The notice will also state that the family may request a hearing if the family disputes the AHA determination in accordance with AHA policies in Chapter XVI.

Final Notice of Over-Income Status [24 CFR 960.507(c)(3) and 960.509]

Unless the PHA determined the family's income fell below the over-income limit since the second over- income determination, the PHA must conduct an income examination 24 months after the initial over income determination. If the family continues to be over-income based on this determination, the PHA must provide written notification of this determination no later than 30 days after the income examination. The notice must state that the family has exceeded the over-income limit for 24 consecutive months and that the PHA will follow its continued occupancy policies for over-income families. The PHA must afford the family an opportunity for a hearing if the family disputes within a reasonable time the PHA's determination that the family has exceeded the over-income limit.

AHA Policy

If a family's income exceeds the applicable over-income limit for 24 consecutive months, the AHA will notify the family in writing of the determination within 10 business days of the date of the determination. The notice will provide an estimate of the alternative non-public housing rent applicable to the family at the close of the 24 consecutive month period. The notice will also state that the family may request a hearing if the family disputes the AHA's determination in accordance with AHA policies in Chapter XVI.

- The family will no longer be part of the public housing program.
- A subsidy will no longer be received for this unit.
- An alternative rent amount based on the higher of Fair Market Rent or the HUD subsidy will be charged. The unit will be considered a non-public housing, over-income (NPHOI) household; however, they still reside in the public housing unit.
- An over-income household occupies a unit that would otherwise house a low-income household.
- An over-income household would pay the alternative rent regardless of their income level.
- There is no ceiling on over-income limitations

The notice will also include a new non-public housing lease **(Attachment A)** and inform the family that the lease must be executed by the family and the AHA no later than 60 days from the date of the notice or at the next lease renewal, whichever is sooner. The family will continue to be a public housing program participant until the family executes the new non-public housing lease. The notice will also state that failure to execute the lease within this time period stated in the notice will result in termination of tenancy no more than six months after the date of the notice. The AHA will permit an over-income family to execute a lease beyond this time period, but before termination of tenancy, if the over income family pays the AHA the total difference between the alternative non-public housing rent and their public housing rent dating back to the point in time that the over income family was required to execute the new lease.

Once the family signs the new nonpublic housing lease, the family will no longer be a public housing participant family. The family will no longer be subject to income examinations, are precluded from participating in the resident council, and cannot participate in any programs that are only for public housing or low-income families.

The non-public housing over-income lease will contain all required provisions listed at 24 CFR 960.509. The initial term of the lease will be for one year. Upon expiration of the initial lease term, the lease will not renew automatically, and subsequent leases will state renewal terms. At any time, the AHA may terminate tenancy in accordance with 24 CFR 960.509(b)(11) and in accordance with state and local law.

Upon execution of the lease, the tenant will be required to pay the amount of monthly tenant rent (known as the alternative non-public housing rent) determined by the AHA in accordance with HUD regulations. The AHA will comply with state and local law in giving

the tenant written notice stating any changes in the amount of tenant rent. Charges assessed under the lease will be due in accordance with state and local law.

Attachment A

Non-Public Housing Over-Income Sample Lease

Per § 960.509 the non-public housing over-income lease must contain at a minimum the following provisions.

Section 1: Parties, dwelling unit, and term.

1. Name of PHA and tenants: THIS AGREEMENT is executed between the _____ *[name of housing authority]* (herein called "PHA"), and _____ (herein called the "Tenant"), and becomes effective as of this date: _____.

2. The PHA leases to the tenant, upon Terms and Conditions set forth in Part I of this Lease agreement) the dwelling unit LOCATED at _____ *[(address, apartment number, and any other information needed to identify the dwelling unit]* (called "premises" or "dwelling unit") to be occupied exclusively as a private residence by Tenant and household.

3. The term of the lease is: _____.

4. (A) PHA-supplied utilities, services, and equipment. If indicated by an (X) below, PHA provides the indicated utility as part of the rent for the premises without additional cost:

   ( ) Electricity ( ) Natural Gas ( ) Heating Fuel ( ) Water ( ) Sewerage ( ) Other

   If indicated by an (X) below, PHA shall provide the following appliances for the premises:
   ( ) Cooking Range ( ) Refrigerator

   (B) Tenant-supplied utilities and appliances. If indicated by an (X) below, tenant must pay for the indicated utility:

   ( ) Electricity ( ) Natural Gas ( ) Heating Fuel ( ) Water ( ) Sewerage ( ) Other

   If indicated by an (X) below, tenant shall provide the following appliances for the premises:
   ( ) Cooking Range ( ) Refrigerator

5. *Household Composition*: The Tenant's household is composed of the individuals listed below. These individuals have been approved by the PHA and may include (family members, foster children and adults, and any PHA-approved live-in aides)

   The family must promptly inform the PHA 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.

   Other than the Head or Spouse each household member should be listed by age, oldest to youngest. All members of the household over age 18 shall execute the lease.

Name	Relationship	Age & Birthdate	Social Security Number
1.	Head		
2.			
3.			
4.			
5.			
6.			
7.			
8.			

Section 2: Lease term and renewal.

1. *Lease term and renewal: per PHA policy*

2. At any time, the PHA may terminate the tenancy in accordance with Section 11.

Section 3: Payments due under the lease.

1. *Tenant rent.* Rent in the amount of $.__ per month shall be payable in advance on the first day of each month, and shall be delinquent after the sixth (6th) day of said month. *This rent is based on an amount determined by the PHA in accordance with § 960.507(e)(1). The PHA must comply with State or local law in giving the tenant written notice stating any change in the amount of tenant rent. HUD will publish the Per Unit Subsidy Report annually for all public housing developments by December 31st to help establish the alternative rents for the following calendar year.*

2. *PHA charges.* Tenant is responsible for repair charges beyond normal wear and tear and for consumption of excess utilities. Such charges will be determined by: _____

[state the basis for the determination of such charges. e.g., by a posted schedule of charges for repair, amounts charged for excess utility consumption, etc. Note that the imposition of charges for consumption of excess utilities is permissible only if such charges are determined by an individual check meter servicing the leased unit or result from the use of major tenant-supplied appliances.]

3. *Late payment penalties. [Include any penalties for late payment of rent.]*

4. *When charges are due.* Charges assessed under paragraphs (2) and (3) of this section are due in accordance with PHA policy: *[Include PHA policy.]*

5. *Security deposits.* The tenant previously paid a security deposit of $_____. This amount will be applied to the tenancy upon signing this lease. Return of the security deposit will be made provided: *[include circumstances under which a security deposit will be returned to the tenant consistent with State and local security deposit laws.]* Tenant will be charged for damage to the unit and this amount may be deducted from the security deposit if: *[include circumstances under which a security deposit will not be fully returned to the tenant consistent with State and local security deposit laws.]*

Section 4: Tenant's right to use and occupancy. 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, as well as their guests (as defined in 24 CFR 5.100).

Section 5: The PHA's obligations. The PHA's obligations under the lease include the following:

1. To maintain the dwelling unit and the project in decent, safe, and sanitary condition.

2. To comply with requirements of applicable State and local building codes, housing codes, and HUD regulations materially affecting health and safety.

3. To make necessary repairs to the dwelling unit.

4. To keep project buildings, facilities, and common areas, not otherwise assigned to the tenant for maintenance and upkeep, in a clean and safe condition.

5. To maintain in good and safe working order and condition electrical, plumbing, sanitary, heating, ventilating, and other facilities, and appliances, including elevators, supplied, or required to be supplied by the PHA.

6. To provide and maintain appropriate receptacles and facilities (except containers for the exclusive use of an individual tenant family) for the deposit of ashes, garbage, rubbish, and other waste removed from the dwelling unit by the tenant in accordance with paragraph (b)(6)(vii) of this section.

7. To supply running water, including an adequate source of potable water, and reasonable amounts of hot water and reasonable amounts of heat at appropriate times of the year (according to local custom and usage), except where the building that includes the dwelling unit is not required by law to be equipped for that purpose, or where heat or hot water is generated by an installation within the exclusive control of the tenant and supplied by a direct utility connection.

8. To notify the tenant of the specific grounds for any proposed adverse action by the PHA as required by State and local law.

9. To comply with Federal, State, and local nondiscrimination and fair housing requirements, including Federal accessibility requirements and providing reasonable accommodations for persons with disabilities.

10. To establish necessary and reasonable policies for the benefit and well-being of the housing project and the tenants, post the policies in the project office, and incorporate the regulations by reference in the lease.

Section 6: The Tenant's obligations. *[The lease must, at a minimum and consistent with State and local law, provide that the tenant must:]*

1. Not assign the lease or sublease the dwelling unit.

2. Not provide accommodations for boarders or lodgers.

3. Use the dwelling unit solely as a private dwelling for the tenant and the tenant's household as identified in the lease, and not use or permit its use for any other purpose.

4. Abide by necessary and reasonable policies established by the PHA for the benefit and well-being of the housing project and the tenants, which must be posted in the project office and incorporated by reference in the lease.

5. Comply with all applicable State and local building and housing codes materially affecting health and safety.

6. 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.

7. Dispose of all waste from the dwelling unit in a sanitary and safe manner.

8. Use in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities, including elevators.

9. Refrain from, and cause the household and guests to refrain from destroying, defacing, damaging, or removing any part of the dwelling unit or housing project.

10. Pay reasonable charges (other than for wear and tear) for the repair of damages to the dwelling unit, or to the housing project (including damages to buildings, facilities, or common areas) caused by the tenant, a member of the household or a guest.

11. Act, and cause household members and 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.

12. Assure that no tenant, member of the tenant's household, guest, or any other person under the tenant's control engages in:

(A) *Criminal activity.*

(*1*) Any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents.

(*2*) Any drug-related criminal activity on or off the premises; or

(B) *Civil activity.* For non-public housing over-income units that are not within mixed-finance projects, any smoking of prohibited tobacco products in the tenant's unit as well as restricted areas, as defined by 24 CFR 965.653(a), or in other outdoor areas that the PHA has designated as smoke-free.

13. To assure that no member of the household engages in an abuse or pattern of abuse of alcohol that affects the health, safety, or right to peaceful enjoyment of the premises by other residents.

Section 7: Tenant maintenance. *[The lease may provide that:]* The tenant must perform seasonal maintenance or other maintenance tasks, including: *[Tasks may be included where performance of such tasks by tenants of dwellings units of a similar design and construction is customary, as long as such provisions are not for the purpose of evading the obligations of the PHA. In cases where a PHA adopts such lease provisions, the PHA must exempt tenants who are unable to perform such tasks because of age or disability.]*

Section 8: Defects hazardous to life, health, or safety. The following are the rights and obligations of the tenant and the PHA if the premise is damaged to the extent that conditions are created which are hazardous to life, health, or safety of the occupants.

1. The tenant must immediately notify project management of the damage.

2. The PHA must repair the unit within a reasonable time. The PHA must charge the tenant the reasonable cost of the repairs if the damage was caused by the tenant, the tenant's household, or the tenant's guests.

3. The PHA must offer standard alternative accommodations, if available, where necessary repairs cannot be made within a reasonable time, subject to § 960.509(b)(5)(ix); and

4. Abatement of rent in proportion to the seriousness of the damage and loss in value as a dwelling if repairs are not made in accordance with paragraph (2) of this section or

alternative accommodations not provided in accordance with paragraph (3) of this section must be provided by the PHA, except that no abatement of rent may occur if the tenant rejects the alternative accommodation or if the damage was caused by the tenant, tenant's household or guests.

Section 9: Entry of dwelling unit during tenancy. The PHA may enter the dwelling unit during the tenant's possession under the circumstances outlined in this section.

1. The PHA is, upon reasonable advance notification to the tenant, permitted to enter the dwelling unit during reasonable hours for the purpose of performing routine inspections and maintenance, for making improvement or repairs, or to show the dwelling 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 reasonable advance notification.

2. The PHA may enter the dwelling unit at any time without advance notification when there is reasonable cause to believe that an emergency exists; and

3. If the tenant and all adult members of the household are absent from the dwelling unit at the time of entry, the PHA must leave in the dwelling unit a written statement specifying the date, time, and purpose of entry prior to leaving the dwelling unit.

Section [illegible]. In accordance with State and local laws, the PHA and tenant must follow the these procedures when giving notices:

1. Except as provided in paragraph (9) of this section, notice to a tenant must be provided in a form to allow meaningful access for persons who are limited English proficient and, in a form, to ensure effective communication with individuals with disabilities; and

2. Notice to the PHA can be in writing, hand delivered, or sent by prepaid first-class mail to PHA address provided in the lease, orally, or submitted electronically through a communications system established by the PHA for that purpose.

Section 11: Termination of tenancy and eviction.

1. *Procedures.* These procedures must be followed by the PHA and the tenant to terminate the tenancy: *[Insert procedure compliant with State and local law.]*

2. *Grounds for termination of tenancy.* The PHA may only terminate the tenancy for good cause, which includes, but is not limited to, the following:

   (A) Criminal activity or alcohol abuse as provided in paragraph (4) of this section.
   (B) Failure to accept the PHA's offer of a lease revision to an existing lease: with written notice of the offer of the revision at least 60 calendar days before the lease revision is scheduled to take effect; and with the offer specifying a reasonable time limit within that period for acceptance by the family.

3. *Lease termination notice.* The PHA must give notice of lease termination in accordance with State and local laws.

4. *PHA termination of tenancy for criminal activity or alcohol abuse.*

(A) *Evicting on the basis of drug-related criminal activity.*

(*1*) *Methamphetamine conviction.* The PHA must immediately terminate the tenancy if the PHA determines that any member of the household has been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

(*2*) *Drug crime on or off the premises.* 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, is grounds for the PHA to terminate tenancy. In addition, a PHA may evict a family when the PHA determines that a household member is illegally using a drug or when the PHA 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.

(B) *Evicting on the basis of other criminal activity.*

(*1*) *Threat to other residents.* 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 threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises is grounds for termination of tenancy.

(*2*) *Fugitive felon or parole violator.* The PHA may terminate the tenancy 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.

(C) *Eviction for criminal activity – evidence and notice.*

(*1*) *Evidence.* The PHA may evict the tenant by judicial action for criminal activity in accordance with this section if the PHA determines that 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.

(*2*) *Notice to Post Office.* When a PHA evicts an individual or family for 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.

(D) *Use of criminal record.* If the PHA seeks to terminate the tenancy for criminal activity as shown by a criminal record, the PHA must notify the household of the proposed action

to be based on the information and must provide the subject of the record and the tenant with a copy of the criminal record before a PHA grievance hearing, as applicable, or court trial concerning the termination of tenancy or eviction. The tenant must be given an opportunity to dispute the accuracy and relevance of that record in the grievance hearing or court trial.

(E) *Cost of obtaining criminal record.* The PHA may not pass along to the tenant the costs of a criminal records check.

(F) *Evicting on the basis of alcohol abuse.* The PHA must establish standards that allow termination of tenancy if the PHA determines that a household member has:

(*1*) 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; or

(*2*) Furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.

(G) *PHA action, generally.*

(*1*) *Consideration of circumstances.* In a manner consistent with policies, procedures and practices, the PHA may consider all circumstances relevant to a particular case such as the nature and severity of the offending action, the extent of participation by the leaseholder in the offending action, the effects that the eviction would have on family members not involved in the offending activity, the extent to which the leaseholder has taken steps to prevent or mitigate the offending action, the amount of time that has passed since the criminal conduct occurred, whether the crime or conviction was related to a disability, and whether the individual has engaged in rehabilitative or community services.

(*2*) *Exclusion of culpable household member.* The PHA may require a tenant to exclude a household member to continue to reside in the dwelling unit, where that household member has participated in or been culpable for action or failure to act that warrants termination.

(*3*) *Consideration of rehabilitation.* In determining whether to terminate tenancy for illegal drug use or a pattern of illegal drug use by a household member who is no longer engaging in such use, or for abuse or a pattern of abuse of alcohol by a household member who is no longer engaging in such abuse, the PHA 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. 13662). For this purpose, the PHA 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.

(4) *Nondiscrimination limitation.* The PHA's eviction actions must be consistent with fair housing and equal opportunity provisions of 24 CFR 5.105.

Section 12: No automatic lease renewal. Upon expiration of the lease term, the lease shall not automatically renew.

Section 13: Grievance procedures. *[The lease may include hearing or grievance procedures and may explain when the procedures are available to the family.]*

Section 14: Provision for modifications. This lease may be modified at any time by written agreement of the tenant and the PHA. Modification of the lease must be evidenced by a written rider or amendment to the lease, executed by both parties, except as permitted under 24 CFR 966.5, which allows modifications of the lease by posting of policies, rules and regulations.

Section 15: Signature clause. By Tenant's signature below, Tenant and household agree to the terms and conditions of this lease and all additional documents made a part of the lease by reference. By the signature(s) below I/we also acknowledge that the Provisions of this Lease Agreement have been received and thoroughly explained to me/us.

Tenant (Head of household): _____ Date: _____

Co-Tenant: _____ Date: _____

Co-Tenant: _____ Date: _____

Manager: _____ Date: _____

Appendix "N"

Affirmatively Furthering Fair Housing (AFFH).

Affirmatively Furthering Fair Housing (AFFH).

Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

Ensure equal opportunity and affirmatively further fair housing, in accordance with the Administrative and Admissions and Occupancy Plan (ACOP) including taking affirmative measures to ensure access to assisted housing regardless of race, color, religion, national origin, sex familial status, and disability. Anniston Housing Authority will undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of housing choice or unit size required.

Describe fair housing strategies and actions to achieve the goal

When it is reasonable, 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 A person with a disability may require special accommodations in order to have equal access to the public housing program. The types of reasonable accommodations the PHA can provide include changes, exceptions, or adjustments to a rule, policy, practice, or service.