

HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN



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SECTION 1: STATEMENT OF POLICIES

1.1. General

The Columbia Housing Authority (CHA) manages the Housing Choice Voucher Program and other housing programs in the jurisdiction of the city limits of Columbia, South Carolina and throughout Richland County. CHA is responsible to ensure compliance with federal laws, regulations and notices and must establish local policies and procedures to clarify federal requirements and to ensure consistency in program operations.

1.2. Purpose of the Plan

The purpose of the Administrative Plan is to establish policies for carrying out the Housing Choice Voucher Programs in a manner consistent with HUD requirements and local goals and objectives contained in CHA's Agency Plan. This Plan is a part of CHA's Agency Plan and is available for public review.

This Administrative Plan sets forth CHA's local policies for operation of the HCV Program(s) in the context of federal law and regulations. It is not intended to repeat the federal requirements. All issues related to The HCV Program not addressed in this document are governed by such federal regulations, HUD Handbooks and guidebooks, notices and other applicable laws.

CHA is responsible for complying with all changes in HUD regulations pertaining to these programs. If such changes conflict with this Plan, HUD regulations will have precedence.

1.3. Approval of Plan and Use of Administrative Fee Reserves

Only the CHA Board of Commissioners is authorized to approve changes to the Administrative Plan and to authorize charges to the administrative fee reserve more than **\$250,000.00**. Expenditures from the administrative fee reserve will be made in accordance with all applicable Federal requirements.

1.4. Nondiscrimination

It is the policy of the Columbia Housing Authority to comply fully with all Federal, State, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing including:

- Equal Access to Housing in HUD Programs
- Violence Against Women Reauthorization Act of 2022 (VAWA)
- Title VI of the Civil Rights Acts of 1964
- Title VIII of the Civil Rights Act of 1968 (as amended by the Community Development Act of 1974 and the Fair Housing Amendments Act of 1988)
- Executive Order 11063
- Section 504 of the Rehabilitation Act of 1973
- The Age Discrimination Act of 1975
- Title II of the Americans with Disabilities Act (to the extent it applies,

- otherwise Section 504 and the Fair Housing Amendments govern)
- Any applicable State laws or local ordinances that may apply, including those pertaining to Fair Housing or any legislation protecting the individual rights of residents, applicants or staff which may be subsequently enacted.

CHA will not deny any family or individual the equal opportunity to apply for or receive assistance under the HCV Programs based on race, color, sex, religion, creed, national or ethnic origin, age, familial status, handicap, or disability, actual or perceived sexual orientation, gender identity or marital status.

CHA will take steps to assure that families and owners are fully aware of all applicable civil rights laws. CHA will provide, as part of the briefing process, information to HCV applicants about civil rights protections.

Applicants or participants who believe that they have been subject to unlawful discrimination may notify CHA either orally or in writing. CHA will provide a copy of a discrimination complaint form to the complainant and provide them with information on how to complete and submit the form to HUD's Office of Fair Housing and Equal Opportunity (FHEO). CHA will make every attempt to remedy any discrimination complaints made against CHA but if unsuccessful, the same information will be provided to complainants.

1.5. Reasonable Accommodations

Any individual with a disability, the parent, guardian, or caregiver of a minor child who has a disability, or a member of a household on behalf of a household member with a disability may request a reasonable accommodation to the CHA policies or procedures necessary to enable full access to the housing program. CHA will provide written notification of the right to request a reasonable accommodation, on the intake application, recertification documents and notices of adverse action by CHA, by including the following language:

"Reasonable accommodation may be available upon request for an individual with a to enable full access to the housing program."

If a participant or applicant indicates that an exception, change or adjustment to a rule, policy, practice or service is needed because of a disability, CHA will treat this indication as a request for a reasonable accommodation and will encourage the family to make that request in writing. CHA staff will work with the requesting party to complete the Reasonable Accommodation form if necessary.

1.6. Improving Access for Persons with Limited English Proficiency

The CHA is committed to providing meaningful access to its programs and services to all eligible persons, including those who have Limited English Proficiency (LEP). LEP is defined as persons who do not speak English as their primary language and who have a limited ability to read, write, speak or understand English. For the purposes of this policy, LEP persons are HCV program applicants and participant families.

A significant number of LEP persons eligible to be served or likely to be encountered by the HCV Program in Columbia, use Spanish as their primary language. CHA will assure that bi-lingual (Spanish-English) staff is available to act as interpreters and translators.

CHA will provide written translation to Spanish of vital documents and all correspondence that represents compliance requirements or adverse action against the LEP person.

CHA serves very few LEP persons in any language other than Spanish. However, to assure access for persons with other language needs, CHA will use alternative ways to articulate in a reasonable manner to assure meaningful access for LEP persons with needs in languages other than Spanish. These alternatives will include the use of community volunteers, translation services and web based for LEP persons whose primary language is other than Spanish or English. Families may use other members of the family and friends as interpreters but are not required to do so.

Given very limited resources CHA will not develop a written LEP plan but will consider alternative ways to communicate and provide meaningful access. Every year, as part of CHA's annual plan process, the need for a LEP Plan will be reviewed and a Plan created if needed. The review will assess whether there have been any significant changes in the composition or language needs of the LEP population. The CHA will analyze the various kinds of contacts it has with the public to assess language needs and decide what reasonable steps should be taken if the costs imposed do not substantially exceed the benefits.

1.7. Privacy Rights

It is the policy of CHA to guard the privacy of applicants and participants and ensure the protection of records in accordance with the Privacy Act of 1974. CHA will not disclose any personal information (including, but not limited to information on any disability) contained in its records to any person or agency unless the individual about whom the information is requested gives written consent to such disclosure, or as required by law.

Applicants and participants, including all adults in their households, are required to sign the HUD 9886A Authorization for Release of Information. This document incorporates the Privacy Act Statement and describes the conditions under which HUD and/or CHA will release family information. CHA will not release other information except as otherwise specifically identified in this Administrative Plan.

All applicant and participant files will be stored in a secure location, which is only accessible by authorized staff. CHA staff will not discuss family information contained in files unless there is a business reason to do so. Inappropriate discussion of family information or improper disclosure of family information by staff will result in disciplinary action.

1.8. Violence against Women Act (VAWA)

The Violence Against Women Reauthorization Act of 2013 (VAWA 2013) expands housing protections for victims of domestic violence, dating violence, sexual assault or stalking. CHA will provide the Notice of Occupancy Rights under VAWA (Form HUD-5380) and HUD's VAWA Self-certification Form (Form HUD-5382) to applicants when they are denied admission for assistance from the CHA, when they are admitted to a CHA housing program, and to participant families when they receive a notice of termination.

SECTION 2: ELIGIBILITY FOR ADMISSION

2.1. General

This Chapter defines both HUD and CHA's criteria for admission and denial of admission to the program. The policy of CHA is to strive for objectivity and consistency in applying these criteria to determine the eligibility of families who apply for housing assistance. Families will be provided the opportunity to explain their circumstances, to furnish additional information, if needed, and to receive an explanation of the basis for any decision made by the CHA pertaining to their eligibility.

2.2. Eligibility Factors

CHA will accept applications only from families whose head or spouse is at least 18 years of age or an emancipated minor.

To be eligible for participation in the Housing Choice Voucher Program, an applicant must meet the following criteria established by HUD:

- An applicant must be a "family" as defined by CHA
- An applicant's annual gross income must be within the applicable Income Limits at the time that the determination of eligibility is rendered by the Housing Authority.
- An applicant must furnish Social Security Numbers for all family members, or certify that they do not have Social Security numbers.
- An applicant must furnish declaration of Citizenship or Eligible Immigrant Status and at least one member of the applicant family must be either a U.S. citizen or have eligible immigration status.
- An applicant must sign required consent forms provided by the CHA.

2.3. Placement on Waiting List

The Family's initial eligibility for placement on the waiting list will be made in accordance with the eligibility factors identified above. Eligibility factors will be verified when the applicant is selected from the wait list. Placement on the waiting list will be based solely on the household's certification.

Reasons for denial of placement on the wait list or denial of admission are addressed in the "Denial or Termination of Assistance" further in this Administrative Plan. These reasons for denial constitute additional admission criteria.

2.4. Family Composition

The applicant must qualify as a family. The term family includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity or marital status:

The definition of family is:

- A single person:
 - Who may be an elderly person, displaced person, or:
 - Is an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age;
 - 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); unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size but are not considered family members for determining income limit.
 - Child (minor) relationship is determined only by birth, adoption, a court order establishing custody, or a legal order from the social service agency, (i.e. Child Protective Services, DES, etc.).
- An elderly family;
- A disabled family;
- A displaced family; and
- The remaining member of a participant family.

In addition, for categorizing family as defined above, the terms disabled family, elderly family or near elderly family are:

Disabled family means a family whose head (including co-head), spouse or sole member is a person with a disability.

Elderly family means a family whose head (including co-head), spouse or sole member is a person who is at least 62 years of age.

Near elderly family means a family whose head (including co-head), spouse or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons who are at least 50 years of age but below the age of 62; living together; or one or more persons who are at least 50 years of age but below the age of 62.

2.5. Children in Foster Care

If a child has been placed in foster care, CHA will verify with the appropriate agency whether and when the child is expected to be returned to the household. Unless the agency confirms that the child has been permanently removed from the home and/or will not return to the home within the next twelve months, the child will be counted as a family member.

2.6. Head of Household

The head of household is the adult member of the household who is designated by the family as head, is wholly or partly responsible for paying the rent, and has the legal capacity to enter a lease under State/local law. An employed head of household absent from the unit for more than 180 consecutive days due to employment elsewhere will continue to be considered a family member.

2.7. Co-Head

The co-head of the household is any adult individual designated by the household, who is equally responsible for the lease with the Head of Household. A family may have a spouse or co-head, but not both. A co-head never qualifies as a dependent. An employed co-head absent from the unit for more than 180 consecutive days due to employment elsewhere will continue to be considered a family member.

2.8. Live-in Aide

A Family may include a live-in aide provided that such live-in aide:

- Is a legal adult (age 18 or older),
- Is determined by CHA to be essential to the care and well-being of an elderly person, a near-elderly person, or a person with disabilities,
- Is not obligated for the support of the person(s), and
- Would not be living in the unit except to provide care for the person(s).

The following distinct provisions apply to a live-in aide:

- Income of the live-in aide will not be counted for purposes of determining eligibility or amount of housing assistance.
- Live-in aides are not subject to citizenship requirements.
- Live-in aides are not considered as a remaining member of the participant family and are therefore not entitled to any continued housing assistance if the household member they were aiding no longer participates in the program.

Relatives are not automatically excluded from being live-in aides, but they must meet all of the elements in the live-in aide definition described above.

A Live in Aide may only reside in the unit with the approval of CHA. Written verification will be required from a reliable, knowledgeable professional, such as a doctor, social worker, or caseworker. The verification provider must certify that a live-in aide is needed for the care of the family member as described above. Verification must include the hours the care will be provided.

At any time, CHA will refuse to approve a particular person as a live-in aide or may withdraw such approval if:

- The person commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- The person commits drug-related criminal activity or violent criminal activity; or
- The person currently owes rent or other amounts to CHA or to another housing authority in connection with voucher assistance or public housing assistance under the 1937 Act.

2.9. Foster Children and Foster Adults

A foster adult is defined as a member of the household who is 18 years or older and meets the definition of a foster adult under State of South Carolina law. In general, a foster adult is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

A foster child is defined as a member of the household who meets the definition of a foster child under State of South Carolina 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.

Foster adults/children are not considered family members and must not be included in calculations of income for eligibility and rent determination purposes. However, foster adults/children are considered household members and must be included when determining unit size or subsidy standards based on established policies.

2.10. Absent Family Members

An individual who is or is expected to be absent from the assisted unit for less than 180 consecutive days is considered temporarily absent and continues to be considered a family member.

An individual who is, or is expected to be, absent for 180 days or more is considered permanently absent and no longer a family member. Family members under the following circumstances may still be considered members of the household even if absent for more than 180 days if the family provides verification that the family member is likely to return within the next twelve months.

- A family member who is away at school
- A child placed in foster care
- An employed head or co-head
- Family members confined to a nursing home or institution for medical reasons.

2.11. Guests

A guest is a person temporarily staying in the unit with the consent of a member of the household who has express or implied authority to so consent. A guest can remain in the assisted unit no longer than 30 consecutive days or a total of 90 cumulative calendar days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 50 percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy, with landlord approval, as a temporary reasonable accommodation for a member of the household or to care for a non-resident member of the family. However, an exception will not be made unless the family can identify and provide documentation of the residence to which the guest will return. In no event may the guest remain more than 180 days.

2.12. Family Break Up

When a family on the waiting list breaks up into two otherwise eligible families, only one of the new families may retain the original application date. Other former family members may submit a new application with a new application date if the waiting list is open.

If a participant family breaks up into two otherwise eligible families, only one of the new families will retain the voucher.

If a court determines the disposition of property between members of an applicant or participant family as part of a divorce or separation decree, the CHA will abide by the court's determination.

In the absence of a judicial decision or an agreement among the original family members,

the CHA will determine which family will retain their placement on the waiting list or continue in occupancy. In making its determination, the CHA will take into consideration the following factors:

- The interest of any minor children, including custody arrangements
- The interest of any ill, elderly, or disabled family members
- The interest of any family member who is or has been the victim of domestic violence, dating violence, sexual assault, or stalking and provides documentation in accordance with this Administrative Plan
- Any possible risks to family members because of criminal activity
- The recommendations of social service professionals

2.13. Joint Custody of Children

Children who are subject to a joint custody agreement but live with one parent at least 51% of the time will be considered members of the household. "51% of the time" is defined as 183 days of the year, which do not have to run consecutively. Legal documentation must be provided for families who claim joint custody. The CHA may use IRS Tax documents, school records or other documents to identify the parent claiming deduction for the minor child(ren).

2.14. Income Limitations

In general, the family's income may not exceed the very low-income limit (50% of the median income) for the CHA jurisdiction. By law, a CHA must provide 75 percent of its voucher to applicants whose incomes do not exceed 30 percent of the area median income. Median income levels are published annually by HUD and vary by location and family size.

Additionally, families who are low income (a family whose annual income does not exceed 80 percent of the median income for the area) , may be admitted to the program when that family has been "continuously assisted" and in other HUD permitted circumstances, such as the Veterans Affairs Supportive Housing (VASH) program.

CHA will consider a family to be continuously assisted if the family was leasing a unit under any 1937 Housing Act program at the time they were issued a voucher by CHA. As noted in this Plan, families being relocated from the CHA's public housing have first priority for vouchers and qualify as continually assisted. In addition, families assisted under the U.S. Housing Act (including all families occupying units in properties receiving Section 8 project-based assistance) are considered continually assisted.

2.15. Mandatory Social Security Numbers

CHA requires that each family member (excepting non-eligible family members in mixed families) provide their Social Security number (SSN) and proof that the SSN belongs to that person.

If a member of the family is unable to provide a Social Security card or other evidence of their SSN, CHA will accept a document stating the person's name and a declaration from the person stating 1) why they cannot obtain their Social Security card and 2) their SSN.

2.16. Citizenship/Eligible Immigration Status

To receive assistance, a family member must be a U.S. citizen or eligible immigrant. Eligible immigrants are persons who are in one of the immigrant categories as specified by HUD. The status of each member of the family is considered individually before the family's status is defined as follows:

- **Mixed Families** – A family is eligible for assistance as long as at least one member is a citizen or eligible immigrant. Families that include eligible and ineligible individuals are called “mixed.” Assistance to such applicant families will be prorated and applicants will be notified accordingly.
- **All members Ineligible** – Applicant families that include no eligible members are not eligible for assistance. Such families will be denied admission.
- **Non-citizen students** – Defined by HUD in the non-citizen regulations and not eligible for assistance.

Applicants are entitled to a hearing for denial of placement on the waiting list or denial of assistance if such denial is based on the immigration status criteria described above.

2.17. Independent Students

CHA will consider a student “Independent” from his or her parents and the parent’s income will not be considered when determining student’s eligibility if all criteria below is met.

- The individual is of legal contract age under state law (18 or older).
- The individual was not claimed as a dependent by his/her parents pursuant to IRS regulations as demonstrated on the parents’ most recent tax forms.
- The individual provides a certification of the amount of financial assistance that will be provided by his/her parents. This certification must be signed by the individual providing the support even if no assistance is being provided.
- The individual has established a household separate from his/her parents for at least one year prior to application for occupancy or the individual meets the U.S. Department of Education’s definition of independent student as follows:
 - The individual is at least 24 years old by December 31st of the award year for which aid is sought.
 - The individual is an orphan or a ward of the court through the age of 18.
 - The individual has one or more legal dependents other than a spouse (for example, dependent children or an elderly dependent parent).
 - The individual is married
 - The individual is disabled

2.18. Other Criteria for Admission

CHA will conduct screening including criminal background checks to determine eligibility for admission to the program. CHA will apply the following additional criteria for admission to the program. Violation of any of the following will result in denial of admission.

- The family must not have been terminated from a previous participation in the HCV

program.

- The family must not have been evicted from previous residency in public housing.
- No family member has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
- The family must pay any outstanding debt owed to CHA or another PHA in connection with HCV or public housing assistance under the 1937 Act.
- No member of the family has a documented record of drug related or violent criminal activity.
- No family member may have engaged in or threatened abusive or violent behavior toward HA personnel for three years prior to final eligibility determination.
- All adult family members must execute the required forms including HUD Form 9886A

Persons terminated from previous participation in an HCV program or evicted from other federally assisted housing because of an arrest and/or conviction for drug-related or other violent criminal activity are ineligible for admission to the HVC Program. However, at the sole discretion of CHA, admission to the program may be considered if the applicant can demonstrate successful completion of a rehabilitation program or if the offending member of the family is removed from the voucher.

The applicant misrepresentation the information on which eligibility or tenant rent is established will result in denial of admission or termination from the program.

2.19. Information Related to Drug Treatment

The CHA will obtain information from drug abuse treatment facilities to determine whether any applicant family's household members are currently engaging in illegal drug activity only when the CHA has determined that the family will be denied admission based on a family member's drug-related criminal activity, and the family claims that the culpable family member has successfully completed a supervised drug or alcohol rehabilitation program. The CHA will require the proposed family member sign a consent form for the drug abuse treatment facility to release information.

2.20. Restriction on Family Net Assets

Families may not receive assistance in the housing choice voucher program if their net family assets exceed the maximum amount (set by HUD annually) or if the family owns real property suitable for the family to live in.

A family cannot receive benefits if they have present ownership interest in, a legal right to reside in, and the effective legal authority to sell, based on The State of South Carolina laws, real property that is suitable for occupancy by the family as a residence.

The restriction on owning real property does not apply to:

- A family that receives assistance for the property under the Housing Choice Voucher Program for:
- Manufactured home (24 CFR 982.620)
- Homeownership Option
- Property jointly owned with someone else, and occupied by the other owner who is not a member of the household receiving benefits.
- A victim of domestic violence, dating violence, sexual assault, or stalking.

- A family that is offering the property for sale.

A family that owns a property may show it is not “suitable for occupancy” if it:

- Does not meet the disability-related needs for all members of the family.
- Is not sufficient for the size of the family.
- Is located where it would be a hardship for the family.
- Example: the location would be a hardship for the family’s commute to work or school
- Is unsafe because of physical condition.
- Unless issues can be “easily remedied”
- Cannot be a residence per local or state laws

2.21. Screening for Suitability as a Tenant

CHA will not screen the applicant household for family behavior or suitability of tenancy. CHA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

At the owner’s request, the CHA will provide the last known landlord and address of the family.

2.22. Changes in Eligibility Prior to Effective Date of the Contract

Admission to the HCV Program occurs at the time that an initial Housing Assistance Payments contract is executed with an owner for an eligible unit. Prior to that time, a family is considered an applicant. After execution of the HAP contract, a family is considered a participant. Therefore, changes that occur during the period between issuance of a voucher and lease up may affect the family's eligibility.

2.23. Ineligible Families

Families who are determined to be ineligible will be notified in writing of the reason for this determination and given an opportunity to request an informal review (or an informal hearing if they were denied due to non-citizen status) as discussed further in this Administrative Plan.

SECTION 3: APPLYING FOR ADMISSION

3.1. General

CHA is responsible for establishing an application and selection process that treats applicants fairly and consistently and provides an effective method for determining eligibility. The policy of CHA is to ensure that all families who express an interest in housing assistance are given an equal opportunity to apply and are treated in a fair and consistent manner. This chapter sets for the CHA policy for management of the wait list and application to the HCV Program.

3.2. Opening and Closing the Waiting List

CHA will open the waiting list at periodic intervals as determined based on need to assure that an adequate pool of applications is available to maintain full program utilization and assist the maximum number of families based on available program funding.

When CHA determines that the waiting list should be opened, a notice will be published in a local newspaper of general circulation, minority publications and on the CHA website. The notice will specify the period the wait list will be open and the method of applications will be accepted. The CHA will also include information on how to request reasonable accommodation to access the wait list application process if needed. CHA may open the waiting list only for special preference (such as public housing relocation) or special purpose vouchers in which case, the notice will state the eligibility provisions of the designated special program.

The application process will consist of a two-step process: the preliminary application and the full application. The preliminary application will request only information needed for placement on the waiting list.

Applicants will be placed on the waiting list based solely on the information provided. The full application will be completed when an applicant is selected from the waiting list.

A random lottery will be completed for all applications received when the wait list is open. Applicants will be ranked in order on the waiting list from lowest to highest lottery number. The position on the wait list may be adjusted based on local preference.

3.3. Family Outreach

CHA will monitor the characteristics of the population being served and the characteristics of the population in CHA's jurisdiction. Targeted outreach efforts will be undertaken if a comparison suggests that certain populations are being underserved. The CHA will work with local government and social service organizations to ensure information about CHA HCV program is available and disseminated to the local population.

3.4. Local Preference(s)

CHA will use local preferences as detailed below.

1. **Public Housing Demolition/Disposition** – Residents in “good standing” at a CHA public housing community on the date the community was approved by HUD to be disposed or demolished.
2. **Over/Under Housed Families** – Residents in “good standing” at a community in which CHA has an ownership interest who are over-housed or under-housed and no appropriate size housing unit exists in the community in which they reside or in another community within the same housing program.
3. **Tenants Displaced by Government Action** – Tenants displaced by government action within CHA’s jurisdiction including condemnation actions by the City of Columbia or the County of Richland.

3.5. Reporting Changes While on Waiting List

Applicants are required to update their contact information, including current residence, mailing address, email and phone number. Applicants are also required to respond to requests from CHA to update information on their application and to determine their continued interest in assistance.

3.6. Updating the Waiting List

The waiting list will be updated periodically to ensure that all applicants and applicant information is current and timely. CHA will notify applicants of the need to complete updates and how to provide updated information. Such requests will include a deadline by which the family must respond and will state that failure to respond will result in being removed from the wait list.

When an applicant is removed from the waiting list during the update process for failure to respond, no informal review will be offered. Such failures to act on the part of the applicant prevent CHA from making an eligibility determination; therefore, no informal review is required.

A family may request reinstatement to the waitlist within 30 days of notification that they were removed, if the family provides information:

- A change of address was submitted to CHA prior to the update notice issued by CHA;
- During the time of any waiting list update or, at the time of notification for an interview, the applicant could not respond. For example, the applicant was incapacitated due to hospitalization or was unavailable due to active participation on Jury Duty;
- As a result of a CHA data entry error, the applicant address was CHA incorrectly recorded CHA;
- The applicant is a person with a disability who requires an alternative form of communication other than one normally used by CHA, and the applicant informed CHA, in advance, of the proper means of communication, as required by regulations.

At the time CHA conducts an opening of the waiting list to establish a new waiting list, no further requests for re-instatement will be accepted or considered from applicants claiming to have been on any prior waiting list.

Notices will be made available in accessible format upon the request of a person with a disability. An extension to reply to the update notification will be considered as a reasonable accommodation if requested by a person with a disability.

3.7. Selection from the Waiting List

Families will be selected from the waiting list in order based on the local preference and randomly assigned numbers assigned at the time the applications were placed on the waiting list.

Completion of full application and the determination eligibility will be determined after selection from the wait list. CHA will notification to selected applicants to the address on file of the requirements to complete the final eligibility process. The notice will provide instruction for completing the application and the date the application is due to be returned. The CHA will make two attempts to notify the family. Failure to respond by the date provided in the notice will result in removal from the waitlist.

3.8. Release of Information and Verification

Information provided by the applicant will be verified, using the verification procedures found further in this Plan. Family composition, income, allowances and deductions, assets, full-time student status, rent calculation factors, and other pertinent information will be verified.

All adult members must sign the HUD Form 9886A, Release of Information; the declarations and consents related to citizenship/immigration status; and any other documents required by CHA. Applicants will be required to sign specific verification forms for information which is not covered by the HUD form 9886A.

At each annual or interim reexamination, CHA will determine if any family member turned 18 and has not yet signed the HUD-9886 form. Such a family member will be required to sign the appropriate form at the reexamination.

The executed consent form (Form HUD-9886A) will remain effective until the family is denied assistance, the assistance is terminated, or if the family provides notification to the PHA to revoke consent. Families have the right to revoke consent by notice to the CHA; however, revoking consent will result in termination or denial of assistance.

If CHA determines that additional information or document(s) are needed to complete the verification process, CHA will request the document(s) or information in writing. The family will be given ten (10) days to supply the information. If the information is not supplied in this time, CHA will provide the family a notification of denial for assistance.

3.9. Completing the Application Process

After the verification process is completed, CHA will make a final determination of eligibility. If the family is determined to be eligible, CHA will invite the family to a briefing for the issuance of a voucher and the family's orientation to the program.

If CHA determines that the family is not eligible, CHA will send written notification of the ineligibility determination within 10 business days of the determination. The notice will specify the reasons for ineligibility and will inform the family of its right to request an informal review, tenant protections under VAWA and how to request reasonable accommodation.

3.10. Special Admission

If HUD awards CHA program funding that is targeted for families living in specified units, the CHA will admit a family that is not on the waiting list, or without considering the family's waiting list position. The CHA will maintain records showing that the family was admitted with HUD-targeted assistance.

3.11. Targeted Funding

The CHA administers the following types of targeted funding

- Veterans Administrative Supportive Housing (VASH) vouchers
- Family Unification Program vouchers (FUP).
- Mainstream Vouchers

The CHA administers these targeted funding vouchers in accordance with the requirements of each program, including referral to the wait list, admission and voucher turn over. Discretionary policies for these programs follow the CHA Administrative Plan except where specifically provided for in this document. For example, the VASH issued vouchers for housing search will be 120 days rather than the tenant-based voucher 90 day period.

The HUD targeted voucher funding allocated to the CHA for HAP (both funding for the initial allocation and HAP renewal funding) will only be used for eligible voucher HAP purposes and will not be used for administrative expenses or the other expenses. Likewise, targeted voucher administrative fees and funding obligated to the CHA for a specified purpose will be used for those purposes and will not be used for HAP.

3.12. Income Targeting

CHA will monitor progress in meeting the requirement that 75% of all new admissions must be extremely low income (ELI) households throughout the fiscal year. ELI families are defined as households whose incomes do not exceed the higher of the Federal poverty level or 30% of Area Median Income. ELI families will be selected ahead of other eligible families on an as-needed basis to ensure the income targeting requirement is met.

Income targeting does not apply to low-income families continuously assisted as provided for under the 1937 Housing Act or to assistance to low income or moderate-income families entitled to preservation assistance under the tenant-based program as a result of a mortgage prepayment or opt-out.

SECTION 4: SUBSIDY STANDARDS

4.1. General

HUD guidelines require that CHA provide the family an oral briefing and provide the family with a briefing packet containing written information about the program. HUD also requires that CHA establish subsidy standards for the determination of family unit size, and that such standards provide for a minimum commitment of subsidy while avoiding overcrowding. The standards used for the unit size selected by the family must be within the minimum unit size requirements of HUD's Housing Quality Standards.

This Chapter explains the subsidy standards, which will be used to determine the voucher size to be issued to families when they are selected from the waiting list, as well as the procedures when a family composition changes, or a family selects a unit size that is different from the size of the voucher.

4.2. Subsidy Standards

The subsidy standards for determining voucher size will be applied in a manner consistent with Fair Housing guidelines. The standards in this section relate to the number of bedrooms for which subsidy will be paid, not the family's actual living arrangements.

CHA will allocate the voucher size based on one bedroom for each two persons in the household, except in the following circumstances:

- Live-in aides will be allocated a separate bedroom but family members of the live-in aide will not be allocated a separate bedroom.
- Single parent and infants age 2 and under will be allocated a one bedroom.
- A pregnant individual with no other children will be allocated a one bedroom.
- All other single persons will be allocated a zero or one bedroom.

The voucher size issued will generally be based on the following guidelines taking into consideration the subsidy standards described above.

Voucher Size	Minimum Number of Household Members	Maximum Number of Household Members
0	1	1
1	1	3
2	2	6
3	3	8
4	6	10
5	8	12
6	10	14

4.3. Exceptions to Subsidy Standards

CHA will consider requests for exceptions from the subsidy standards for a family member who is disabled and requires an additional bedroom as a reasonable accommodation. The CHA may request the family re-verify the need for the additional bedroom as a reasonable accommodation as part of the annual reexamination of income and family composition. When an additional bedroom is provided as a reasonable accommodation for medical equipment, the biennial inspection may verify the use of that room for that purpose.

4.4. Changes in Subsidy Standard

Voucher size is determined for the applicant family prior to the briefing by comparing the family composition to CHA subsidy standards. If an applicant requires a change in the voucher size, based on the requirements of the subsidy standards, the above referenced guidelines will apply.

If CHA errs in the bedroom size designation, the family will be issued a new voucher of the appropriate size for the full period allocated for new program admissions. If the family makes a request for an exception to the payment standards and such request is granted, the family will be issued a new voucher for the time remaining under the initial issuance period.

At each regularly scheduled annual recertification, CHA will review the voucher size of the household and adjust the voucher size based on the above referenced guidelines, as applicable.

4.5. Unit Size Selected

The family may select a different size dwelling unit than that listed on the Voucher, but the following criteria will apply:

Subsidy Limitation: The family unit size as determined under the subsidy standards for a family assisted in the voucher program is based on the adopted payment standards. The payment standard for a family will be the ***lower of***:

- The payment standard amount for the family unit (voucher) size; or
- The payment standard amount for the unit size rented by the family.

Utility Allowance: The utility allowance used to calculate the gross rent will be the ***lower of***:

- The utility allowance amount for the family unit (voucher) size; or
- The utility allowance amount for the unit size rented by the family.

SECTION 5: INCOME AND SUBSIDY DETERMINATIONS

5.1. General

CHA will use the methods set forth in this Administrative Plan to verify and determine that family income at admission and at annual re-certification is correct.

5.2. Income and Allowances

The following definitions will be applied when calculating total tenant payment, tenant rent and housing assistance payments:

Income – CHA uses HUD’s definition of Annual Income. Should this definition be revised, the current HUD definition will be used.

Annual income includes all amounts received from all sources by each member of the family who is 18 years of age or older, the head of household, or spouse of the head of household, in addition to unearned income received by or on behalf of each dependent who is under 18 years of age. Annual income does not include amounts specifically excluded in paragraph (b) of 24 CFR § 5.609.

All amounts received by the head of household, co-head, or spouse, including the income of a day laborer, independent contractor, and seasonal worker are included in annual income regardless of age, unless otherwise excluded in paragraph (b) of 24 CFR § 5.609.

Income from Assets – Annual income also includes all actual anticipated income from assets even if the asset is excluded from net family assets but the income from the asset is not otherwise excluded. Annual income will include the income from assets, if known, for total family net assets less than \$5,000 (an amount to be adjusted annually by HUD).

Imputed returns on net family assets are included in annual income only when net family assets exceed \$5,000 (an amount that HUD will annually adjusted for inflation) and actual asset income cannot be calculated for all assets.

Current Annual Income: Defined as the gross amount of income anticipated to be received by the family during the 12 months after certification or re-certification. Gross income is the amount of income prior to any HUD allowable expenses or deductions, and does not include income, which has been excluded by HUD. Annual income is used to determine if applicants are within the applicable income limits.

Earned Income

Earned Income is defined as 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 assistance, Social Security, and other governmental subsidies / benefits), or any cash or in-kind benefits.

Unearned Income

Unearned income means any annual income, as calculated under 24 CFR § 5.609, that is not earned income.

Non-recurring Income

Income that will not be repeated beyond the coming year (i.e., the 12 months following the effective date of the certification), based on information provided by the family, is considered nonrecurring income and is excluded from annual income. However, income received as an independent contractor, day laborer, or seasonal worker is not excluded from income under § 5.609(b)(24), even if the source, date, or amount of the income varies.

Income that has a discrete end date and will not be repeated beyond the coming year during the family's upcoming annual reexamination period will be excluded from a family's annual income as nonrecurring income. This does not include unemployment income and other types of periodic payments that are received at regular intervals (such as weekly, monthly, or yearly) for a period of greater than one year that can be extended.

Incremental Earnings

The CHA defines incremental earnings and benefits as the difference between:

- The total amount of welfare assistance and earnings of a family member prior to enrollment in a training program and
- The total amount of welfare assistance and earnings of the family member after enrollment in the program.

In calculating the incremental difference, the CHA will use as the pre-enrollment income the total annualized amount of the family member's welfare assistance and earnings reported on the participant most recently completed HUD-50058.

Adjusted Income: Defined as the Annual income minus any HUD allowable expenses and deductions.

Allowable deductions: HUD defines the allowable deductions as those listed below.

- **Dependent Allowance:** \$480 each for family members (other than the head or spouse) who are minors, and for family members who are 18 and older who are full-time students or who are disabled. The amount of dependent allowance will be adjusted annually by HUD.
- **Elderly/Disabled Allowance:** \$400 per family for families whose head or spouse is 62 or over or disabled. The amount of Elderly/Disabled allowance will be adjusted annually by HUD.
- **Allowable Medical Expenses:** Deducted for all family members of an eligible elderly/disabled family.
- **Childcare Expenses:** Deducted for the care of children under 13 when childcare is necessary to allow an adult member to work, attend school, or actively seek employment. Cannot exceed the amount of earned income and must be reasonable based on comparative costs in the community.
- **Disability Assistance Expenses:** Deducted for attendant care or auxiliary apparatus for persons with disabilities if needed to enable the individual or an adult family member to work.

5.3. Disallowance of Earned Income for Persons with Disabilities

The following EID Policy will expire upon the HOTMA Effective Date, January 1, 2024.

Families currently enrolled in the EID policy on or before December 31, 2023 will be allowed to complete the income phase in periods.

The annual income for qualified disabled families may not be increased as a result of increases in earned income of a family member who is a person with disabilities beginning on the date on which the increase in earned income begins and continuing for a cumulative 12-month period. After the disabled family receives 12 cumulative months of the full exclusion, annual income will include a phase-in of half the earned income excluded from annual income.

A disabled family qualified for the earned income exclusion is a disabled family that is receiving tenant-based rental assistance under the Housing Choice Voucher Program; and

- Whose annual income increases as a result of employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- Whose annual income increases as a result of increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- Whose annual income increases, as a result of new employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any State program for TANF provided that the total amount over a six-month period is at least \$500.

The HUD definition of “previously unemployed” includes a person with disabilities who has earned in the previous 12 months no more than the equivalent earnings for working 10 hours per week for 50 weeks at the minimum wage. Minimum wage is the prevailing minimum wage in the State or locality.

The HUD definition of economic self-sufficiency program is: any program designed to encourage, assist, train or facilitate economic independence of assisted families or to provide work for such families. Such programs may include job training, employment counseling, work placement, basic skills training, education, English proficiency, workfare, financial or household management, apprenticeship, or any other program necessary to ready a participant to work (such as substance abuse or mental health treatment).

Amounts to be excluded are any earned income increases of a family member who is a person with disabilities during participation in an economic self-sufficiency or job training program and not increases that occur after participation, unless the training provides assistance, training or mentoring after employment.

The amount of TANF received in the six-month period includes monthly income and such benefits and services as one-time payments, wage subsidies and transportation assistance.

The amount that is subject to the disallowance is the amount of incremental increase in income of a family member who is a person with disabilities. The incremental increase in income is calculated by comparing the amount of the disabled family member’s income before the beginning of qualifying employment or increase in earned income to the amount of such income after the beginning of employment or increase in earned income.

Exclusions of Income will be calculated as follows:

Initial Twelve-Month Exclusion – During the cumulative 12-month period beginning on the date a member who is a person with disabilities of a qualified family is first employed or the family first experiences an increase in annual income attributable to employment, CHA will exclude from annual income of a qualified family any increase in income of the family member who is a person with disabilities as a result of employment over the prior income of that family member.

Second Twelve-Month Exclusion and Phase-in – During the second cumulative 12-month period after the expiration of the initial cumulative 12-month period referred to above, CHA will must exclude from annual income of a qualified family 50 percent of any increase in income of a family member who is a person with disabilities as a result of employment over income of that family member prior to the beginning of such employment.

Maximum Two Year Disallowance – The earned income disallowance is limited to a lifetime 24-month period for each family member who is a person with disabilities. For each family member who is a person with disabilities, the disallowance only applies for a maximum of 12 months of full exclusion of incremental increase, and a maximum of 12 months of phase-in exclusion during the 24-month period starting from the date of the initial exclusion. If the period of increased income does not last for 12 consecutive months, the disallowance period may be resumed at any time within the 48-month period, and continued until the disallowance has been applied for a total of 12 months of each disallowance (the initial 12-month full exclusion and the second 12-month phase-in exclusion). No earned income disallowance will be applied after the 48-month period following the initial date the exclusion was applied.

Applicability to Childcare and Disability Assistance Expense Deductions – The amount deducted for childcare and disability assistance expenses necessary to permit employment will not exceed the amount of employment income that is included in annual income. Therefore, for disabled families entitled to the earned income disallowance, the amounts of the full and phase-in exclusions from income will not be used in determining the cap for childcare and disability assistance expense deductions.

Tracking System – CHA will maintain a tracking system to ensure correct application of the earned income disallowance.

5.4. Minimum Rent

Minimum rent refers to the Total Tenant Payment and includes the combined amount a family pays towards rent and/or utilities when it is applied. The established minimum rent for all vouchers holders is \$50.00.

A family may request an exception to the minimum rent based on financial hardship, which is defined as follows:

- The family has lost eligibility or is awaiting an eligibility determination for Federal, State, or local financial assistance;
- The income of the family has decreased because of changed circumstances, including: loss of employment; loss of benefits; death in the family; and, other circumstances verified and approved by the CHA.

Suspension of Minimum Rent – The minimum rent will be suspended until CHA makes a determination of hardship. “Suspension” means that CHA will not use the minimum rent calculation until a decision is made as to eligibility for the hardship. During the minimum rent suspension period, the family will not be required to pay a minimum rent and the housing assistance payment will be increased accordingly.

If CHA determines that the family is not eligible for the minimum rent exception, CHA will impose a minimum rent including payment for minimum rent from the time of suspension.

Temporary and long term are defined as follows:

Temporary Hardship – If the CHA determines that the hardship is temporary; a minimum rent will not be imposed for a period of up to 90 days from the date of the family’s request. At the end of the temporary suspension period, a minimum rent will be imposed retroactively to the time of suspension.

Long-Term Duration Hardships – If it is determined that there is a qualifying long- term financial hardship, CHA will exempt the family from the minimum rent requirements until their next regularly scheduled annual recertification. The exemption from minimum rent will apply from the first day of the month following the family’s submission of all required documentation. The hardship exemption will only be approved one time for each participating family.

5.5. Definition of Temporarily/Permanently Absent

It is the responsibility of the head of household to report changes in family composition. CHA will evaluate absences from the unit using this policy.

CHA will compute all applicable income of every family member who is on the lease, including those who are temporarily absent. In addition, CHA will count the income of the spouse or the head of the household if that person is temporarily absent, even if that person is not on the lease.

Income of persons permanently absent will not be counted. If the spouse is temporarily absent and, in the military, all military pay and allowances (except hazardous duty pay when exposed to hostile fire and any other exceptions to military pay HUD may define) is counted as income.

- **Temporarily Absent:** Defined as away from the unit for more than 30 days.
- **Permanently Absent:** Defined as away from the unit for 180 consecutive days except as otherwise provided in this Chapter.
- **Medical Absence:** Defined as any family member that leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center. The family will be required to provide verification from a reliable medical source as to the likelihood and timing of return. If the verification indicates that the family member will be permanently confined to a facility, the family member will be considered permanently absent. If the verification indicates that the family member may return in less than 180 consecutive days, the family member will not be considered permanently absent. If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated.
- **Absence Due to Full-time Student Status:** A student (other than head of household or spouse) who attends school away from home but lives with the family during school

recesses may, at the family's choice, be considered either temporarily or permanently absent. If the family decides that the member is permanently absent, income of that member will not be included in total household income, the member will not be included on the lease, and the member will not be included for determination of Voucher size.

- **Absence Due to Incarceration:** If the sole member is incarcerated for more than 180 consecutive days, s/he will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if s/he is incarcerated for three (3) consecutive months.
- **Absence of Children Due to Placement in Foster Care:** If the family includes a child or children temporarily absent from the home due to placement in foster care, CHA will determine from the appropriate agency when the child/children will be returned to the home. If the time period is to be greater than twelve (12) months from the date of removal of the child/ren, the Voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with the subsidy standards.
- **Absence of Entire Family:** Defined as situations when the family is absent from the unit but has not moved out of the unit. "Absence" means that no family member is residing in the unit. To determine if the family is absent from the unit, CHA may write letters to the family at the unit, telephone the family at the unit, interview neighbors, verify if utilities are in service, and check with the post office. Families are required both to notify CHA before they move out of a unit and to give CHA information about any family absence from the unit.

Families must notify CHA at least 30 days before moving out of the unit or no less than 15 days after leaving the unit if they are going to be absent from the unit for more than 30 consecutive days.

If it is determined that the family is absent from the unit, CHA will continue assistance payments for the period estimated that the family will be absent but not more than 180 days provided that the family gave proper notice to CHA. If the family did not provide proper notice, assistance will be terminated at the end of the month following 30 days after notification of absence.

In cases where the family has moved out of the unit, CHA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Caretaker for Children - Defined as a person placed in an assisted unit by an appropriate certified service agency that is acting as the legal guardian for children on the lease agreement. The following criteria will apply to these situations.

- If an appropriate agency has determined that another adult is to be brought into the assisted unit to care for the children for an indefinite period, CHA will treat that adult as a visitor for the first 120 days.
- If by the end of 120 days, court-awarded custody or legal guardianship has been awarded to the caretaker, the Voucher will be transferred to the caretaker.
- If the appropriate agency cannot confirm the guardianship status of the caretaker, CHA will transfer the voucher to the caretaker on a temporary basis with the condition that the caretaker must release the voucher if the original parent(s) are awarded custody at a later date.

Absence Due to Court Order: If a member of the household is subject to a court order

that restricts him/her from the home for more than three (3) months, the person will be considered permanently absent.

5.6. Reporting Changes in Family Composition

Reporting changes in household composition is a basic family obligation under the voucher agreement between CHA and the assisted family. The family obligations require approval to add any other family member as an occupant of the unit and to inform CHA of the birth, adoption or court-awarded custody of a child within 30 days of occurrence.

The family must request prior approval from CHA of additional household members in writing. CHA will generally approve the addition household members that are the result of legal action: marriage, adoption or legal custody (if adult meets criminal background screening for eligibility), under the following criteria:

- Children under 18 years of age may be added to the assisted household if documentation is provided from any state's Department of Family & Children Services (SC DSS), or the applicable school district which verifies that the assisted household is the legal residence of the children.
- Regardless of the reason, the addition of children will not be approved if the children are members of another assisted household of any housing assistance program anywhere in the United States.
- Adult members that were previously removed from the assisted household at the request of the Head of Household, will only be approved to return as a household member as a reasonable accommodation for a disabled household member.
- Single adult household immediate family members will only be approved as additional family members as a reasonable accommodation for either the member of the assisted family or for a member of the assisted family to care for an immediate family member as a reasonable accommodation and the addition does not require a change in voucher size.

In addition to the above CHA requirements, the family must comply with the terms of their lease agreement with the owner which may require the family to obtain prior written approval from the owner when there are changes in family composition other than birth, adoption or court awarded custody. An interim reexamination will be conducted for any additions to the household.

If the family does not obtain prior written approval, any person the family has permitted to move in will be considered an unauthorized household member.

5.7. Alimony and Child Support

Regular alimony and child support payments are counted as income for calculation of Total Tenant Payment. If the amount of child support or alimony received is less than the amount awarded by the court, CHA will use the amount received by the family.

5.8. Lump-Sum Receipts

Lump-sum payments caused by delays in processing periodic payments such as unemployment or welfare assistance are counted as income. Deferred periodic payments, which have accumulated due to a dispute, are also counted as income.

In order to determine amount of retroactive tenant rent that the family owes as a result of the lump sum receipt, CHA will use a calculation method, which calculates retroactively or

prospectively, depending on the circumstances.

- **Prospective Calculation Methodology:** If the payment is reported on a timely basis, (as required under interim reporting requirements) the calculation will be done prospectively and will result in an interim adjustment calculated as follows: the entire lump-sum payment will be added to the annual income at the time of the interim and total tenant payment and tenant rent will be calculated accordingly.
- **Retroactive Calculation Methodology:** If the payment is not reported on a timely basis, CHA will go back to the date the lump-sum payment was received, or to the date of admission, whichever is closer and determine the amount of income for each certification period, including the lump sum, and recalculate the tenant rent for each certification period to determine the amount due to CHA. The family will then be required to pay this amount to CHA in full from the lump sum proceeds. Failure to make payment will result in termination of assistance.
- **Attorney Fees:** The family's attorney fees may be deducted from lump-sum payments when computing annual income if the attorney's efforts have recovered a lump-sum compensation, and the recovery paid to the family does not include an additional amount in full satisfaction of the attorney fees.

Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, are not included in income but are included as assets. Lump sum payments from Social Security or SSI are excluded from income, but any amount remaining will be considered an asset.

5.9. Assets Disposed of For Less Than Fair Market Value

CHA will count assets disposed of for less than fair market value during the two years preceding certification or reexamination by including the difference between the market value and the actual payment received when calculating total assets if the fair market value of such assets is greater than \$1,000.

Assets disposed of as a result of foreclosure or bankruptcy will not be considered to be assets disposed of for less than fair market value. Assets disposed of as a result of a divorce or separation will also not be considered assets disposed of for less than fair market value.

5.10. Childcare Expenses

Childcare expenses for children under 13 may be deducted from annual income if they enable an adult to work or attend school full time, or to actively seek employment.

A childcare deduction will only be provided based on the following guidelines:

- **Childcare to Work:** The maximum childcare expense allowed must be less than the amount earned by the person enabled to work. The "person enabled to work" will be the adult member of the household who earns the least amount of income from working.
- **Childcare for School:** The number of hours claimed for childcare may not exceed the number of hours the family member is attending school, including reasonable

travel time to and from school.

- **Reimbursement:** Childcare expense cannot be reimbursable from any other source. If a divorce decree provides for joint payment of childcare, expenses will be prorated accordingly.

5.11. Medical Expenses

Elderly and disabled households are entitled to deductions for allowable medical expenses. If the household qualifies for a medical deduction then the medical expenses of all household members are an allowable deduction.

Allowable expenses include but are not limited to insurance premiums; hospital and doctor costs; and, prescription medicines. Nonprescription medicines, acupressure, acupuncture, herbal medicines and chiropractic services will not be considered allowable medical expenses.

5.12. Pro-ration Of Assistance for “Mixed” Families

A “mixed” family is one that includes at least one U.S. citizen or eligible immigrant and any number of ineligible members. Housing assistance will be prorated for mixed families based on the following calculation.

The total housing assistance will be calculated based on income, assets, allowances and deductions for all household members. The percent of eligible household members is determined by dividing the number of U. S. Citizens or eligible immigrants in the household by the total number of household members. The total amount of housing assistance is then multiplied by the percent of the eligible household members. This is the amount of housing assistance that will be paid on behalf of a mixed family.

5.13. Income Changes Resulting from Welfare Program Requirements

The CHA will not reduce the rental contribution for families whose welfare assistance is reduced specifically because of:

- Fraud by a family member in connection with the welfare program; or
- Failure to participate in an economic self-sufficiency program; or
- Noncompliance with a work activities requirement.

However, CHA will reduce the rental contribution if the welfare assistance reduction is a result of:

- The expiration of a lifetime time limit on receiving benefits; or
- A situation where a family member has not complied with other welfare agency requirements; or
- A situation where a family member has complied with welfare agency economic self-sufficiency or work activities requirements but cannot or has not obtained employment, such as the family member has complied with welfare program requirements, but the durational time limit, such as a cap on the length of time a family can receive benefits, causes the family to lose their welfare benefits.

Imputed welfare income is the amount of annual income not actually received by a family as a result of a specified welfare benefit reduction that is included in the family’s income for rental contribution and is treated as follows:

- Imputed welfare income is not included in annual income if the family was not an assisted resident at the time of sanction.
- The amount of imputed welfare income is offset by the amount of additional income a family receives that begins after the sanction was imposed.
- When additional income is at least equal to the imputed welfare income, the imputed welfare income is reduced to zero.

CHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced for fraud or noncompliance with economic self-sufficiency or work activities requirements before denying the family's request for rent reduction. The welfare agency, will inform the CHA of: amount and term of specified welfare benefit reduction for the family; reason for the reduction; and subsequent changes in term or amount of reduction.

5.14. Utility Allowance and Utility Reimbursement Payments

CHA will develop a utility allowance schedule, which is intended to cover the cost of utilities not included in the rent to the owner. This allowance is based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type. Allowances are not based on an individual family's actual energy consumption.

Four jurisdiction-wide utility allowances will be established:

- Single Family,
- Multi-Family Apartment Units
- Mobile Homes
- Duplex and Townhomes Units

Costs of utilities in different municipalities and difference providers within CHA's jurisdiction will be averaged to determine the most applicable allowance for each unit type.

If a unit is located in a Low-Income Housing Tax Credit property and the property has adopted a project specific utility allowance, CHA will utilize the applicable allowance if the property can demonstrate that the allowance is supported by an independent third-party review.

The utility allowance for an individual family includes the utilities and services that are necessary to provide housing that complies with the Federal Housing Quality Standards. No allowance will be provided for non-essential utility costs, such as telephone, internet services, cable, or satellite television. Where families provide their own range and refrigerator, CHA will include an appliance allowance as part of the total utility allowance provided to the family.

Lease agreements with tenant paid utilities will only be approved for utilities that are individually metered for the unit receiving assistance. The individual meter must only service the living space in which the family has access. The property owner must retain responsibility for any utility that is not individually metered.

CHA will review the utility allowance schedule annually. If the review finds a utility rate has changed by 10% or more since the last revision of the utility allowance schedule, the

schedule will be revised to reflect the new rate. Revised utility allowances will be applied in a participant family's rent calculation at their next re-certification.

When the calculation on the HUD 50058 results in a utility housing assistance payment due to the family, CHA will provide a Utility Housing Assistance Payment (UHAP) to the family via a cash card issued to the family. The cash card will be re-loaded by the 7th day of each month for the months in which the family is entitled to receive a UHAP payment.

SECTION 6: VERIFICATION OF FAMILY STATUS AND INCOME

6.1. General

All factors affecting eligibility for the HCV Program and calculation of total tenant payment, tenant rent and housing assistance will be verified by CHA. Applicants and program participants must provide true and complete information upon request by CHA. Verification requirements are designed to maintain program integrity.

This Chapter explains the standards for verification of income, assets, allowable deductions, family status, and changes in family composition. CHA will obtain proper authorization from the family before requesting information from independent sources.

6.2. The Verification Hierarchy

CHA is required by HUD to access the Enterprise Income Verification system and obtain an Income Report for each assisted household. CHA is required to maintain the EIV report in the participant file along with the HUD 50058 form and other supporting documentation to support income and rent determinations.

If the EIV income report does not contain any employment and income information for the family, CHA will secure necessary information in the order of the hierarchy listed below.

LEVEL	VERIFICATION TECHNIQUE	RANKING
6	Upfront income verification (UIV) using HUD's EIV system.	Highest (Mandatory)
5	Upfront income verification (UIV) using non-HUD system.	Highest (Optional))))))
4	Written third party verification (authentic document generated by a third-party source but supplied by the participant)	High (Mandatory to supplement EIV reports when EIV has no data. (Mandatory for non- EIV income sources and when participants dispute EIV information
3	Written third party verification form	Medium-Low (Mandatory if third party verification is not available or is rejected by CHA; and when participant/applicant is unable to provide acceptable documents.
2	Oral third-party verification	Low (Mandatory only when no third-party verification is available)
1	Tenant Declaration	Very Low (use as a last resort when unable to obtain any type of third-party verification.)

All verifications regardless of level must be dated within 120 days prior to the request of CHA to provide the documents. Level four verification documents that serve to verify income amounts, based on the frequency of the pay schedule, must include a minimum of two consecutive paycheck stubs.

CHA will provide applicants and participants with a maximum of ten (10) business days to respond to requests for documents. Failure to provide documents within this period may result in proposed termination of assistance or removal from the waiting list.

6.3. Safe Harbor Income Determination

For the purposes of determining income eligibility and annual re-examinations, the CHA may determine a family's annual income, including income from assets, prior to the application of any deductions based on income determinations made within the previous 12-month period, using income determinations from the following types of means-tested federal public assistance programs:

- The Temporary Assistance for Needy Families block grant (42 U.S.C. 601, et seq.).
- Medicaid (42 U.S.C. 1396 et seq.).
- The Supplemental Nutrition Assistance Program (42 U.S.C. 2011 et seq.).
- The Earned Income Tax Credit (26 U.S.C. 32).
- The Low Income Housing Tax Credit (26 U.S.C. 42).
- The Special Supplemental Nutrition Program for Woman, Infants, and Children (42 U.S.C. 1786).
- Supplemental Security Income (42 U.S.C. 1381 et seq.).
- Other programs administered by the Secretary.
- Other means-tested forms of federal public assistance for which HUD has established a memorandum of understanding.
- Other federal benefit determinations made by other means-tested federal programs that the Secretary determines to have comparable reliability and announces through a Federal Register notice.

If the family presents the CHA with multiple income determinations either from one or more of the above listed programs, the CHA will use the most recent income determination to establish the annual income prior to deduction/allowances.

6.4. Release of Information

All adult family members are required to sign the HUD 9886A Release of Information/Privacy Act form. In addition, family members are required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886A.

This consent form remains effective until the earliest of

- the rendering of a final adverse decision for an assistance applicant;
- the cessation of a participant's eligibility for assistance from HUD and the PHA; or
- The express revocation by the assistance applicant or recipient (or applicable family member) of the authorization, in a written notification to HUD or the PHA.

If the family revokes consent of authorization, the CHA will terminate the family assistance due to the inability to verify financial information required to provide determine the level of subsidy required.

6.5. Alimony or Child Support Payments

Alternate methods of verification include, in this order: on-line statements from Child Support agencies; copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules; a letter from the person paying the support; copy of latest check and/or payment stubs from Court Trustee.

If the amount of child support or alimony received is less than the amount awarded by the court, CHA will use the amount received by the family. CHA will accept as verification that the family is receiving an amount less than the award if one of the following:

- CHA receives verification from the agency responsible for enforcement or collection.
- The family furnishes documentation of child support or alimony collection action filed through a child support enforcement collection agency.
- Or has filed an enforcement or collection action through an attorney.

It is the family's responsibility to supply documentation and a copy of the divorce decree. Income is annualized by averaging the most current three consecutive month's payment to project income for twelve (12) months.

Families who do not have court-awarded alimony and child support awards are not required to seek a court award and are not required to take independent legal action to obtain collection.

6.6. Net Income from a Business

To verify the net income from a business, CHA will view IRS and financial documents from prior years and use this information to anticipate the income for the next 12 months. Acceptable methods of verification include: IRS Form 1040, including: Schedule C (Small Business); Schedule E (Rental Property Income); Schedule F (Farm Income); if accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules; audited or unaudited financial statement(s) of the business; credit report or loan application; Documents such as manifests, appointment books, cash books, bank statements, and receipts will be used as a guide for the prior six months (or lesser period if not in business for six months) to project income for the next 12 months. The family will be advised to maintain these documents in the future if they are not available.

6.7. Net Rental Income from Property Owned by Family

Acceptable methods of verification include, in this order: IRS Form 1040 with Schedule E (Rental Income); copies of latest rent receipts, leases, or other documentation of rent amounts; documentation of allowable operating expenses of the property: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense; lessee's written statement verifying rent payments to the family and family's self-certification as to net income realized.

6.8. Family Assets

CHA will require information necessary to determine the current cash value of the family's assets, (the net amount the family would receive if the asset were converted to cash). The CHA will accept the family's self-certification of total household asset value less than \$5,000. HUD will adjust the threshold for asset self-certification annually. The CHA will verify the total household asset value at admission, when adding an adult member to the family and no less often than every third year. The family self-certification of total household asset value less than \$5,000 must include the total household asset value and the amount of income anticipated to be received from this amount.

6.9. Assets Disposed of for Less than Fair Market Value (FMV)

For all certifications and re-certifications, CHA will obtain the family's certification as to whether any member has disposed of assets for less than fair market value during the

two years preceding the effective date of the certification or re-certification. If the family certifies that they have disposed of assets for less than fair market value, verification is required that shows: (a) all assets disposed of for less than FMV, (b) the date they were disposed of, (c) the amount the family received, and (d) the market value of the assets at the time of disposition. Third party verification will be obtained wherever possible.

6.10. Childcare Expenses

Written verification from the person who receives the payments is required. Verifications must specify the child care provider's name, address, telephone number, the names of the children cared for, the number of hours the child care occurs, the rate of pay, and the typical yearly amount paid, including school and vacation periods. CHA will also request verification as to whether the certifying individual is a licensed childcare provider and advise the provider that such income may be reported to other sources including the IRS.

6.11. Medical Expenses –

All expense claims will be verified by one or more of the methods: written verification by a doctor, hospital or clinic personnel, dentist, pharmacist, of (a) the anticipated medical costs to be incurred by the family and regular payments due on medical bills; and (b) extent to which those expenses will be reimbursed by insurance or a government agency; written confirmation by the insurance company or employer of health insurance premiums to be paid by the family; written confirmation from the Social Security Administration of Medicare premiums to be paid by the family over the next 12 months.

If the family fails to provide this information, the CHA will calculate the annual income without the deduction of medical expenses.

6.12. Full-time Student Status

Verification of full-time student status includes: written verification from the registrar's office or other school official; school records indicating enrollment for sufficient number of credits to be considered a full-time student by the educational institution.

If the family fails to provide this information, the CHA will calculate the annual income without the benefit of the student status and associated deductions and allowances. Assistance to Persons with Disabilities.

6.13. Assistance to Persons with Disabilities

Written certification from a reliable, knowledgeable professional that the person with disabilities requires the services of an attendant and/or the use of auxiliary apparatus to permit him/her to be employed or to function sufficiently independently to enable another family member to be employed. Family's certification as to whether they receive reimbursement for any of the expenses of disability assistance and the amount of any reimbursement received.

- **Attendant Care:** Attendant's written certification of amount received from the family, frequency of receipt, and hours of care provided. Certification of family and attendant and/or copies of canceled checks family used to make payments.
- **Auxiliary Apparatus:** Receipts for purchases or proof of monthly payments and maintenance expenses for auxiliary apparatus. In the case where the person with disabilities is employed, a statement from the employer that the auxiliary apparatus is

necessary for employment is needed.

6.14. Verifying Non-Financial Factors

CHA will require applicants to furnish verification of legal identity for all family members. The following documents will be considered acceptable verification of legal identity for adults. If a document submitted by a family is illegible or otherwise questionable, more than one of these documents may be required: certificate of birth, naturalization papers; church issued baptismal certificate; U.S. military discharge (DD 214); or U.S. Passport.

Documents considered acceptable for the verification of legal identity for minors may be one or more of the following: certificate of birth; adoption papers; custody agreements; or documents from a state of federal agency that includes the date of birth of the minor.

6.15. Familial Relationships

Certification will normally be considered sufficient verification of family relationships. In cases where reasonable doubt exists, the family may be asked to provide verification. Verification of divorce status will be a certified copy of the divorce decree, signed by a Court Officer. Verification of a separation may be a copy of court-ordered maintenance or other legal records.

6.16. Verification of Permanent Absence of Family Member

If the family reports an adult member who was formerly a member of the household permanently absent, the CHA will require landlord verification that the member has been removed from the lease. If there is reason to believe that the member continues to reside in the unit, the CHA may verify the absence of the member by conducting unit inspection, interview with neighbor or other means available.

6.17. Verification of Disability

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

SECTION 7: VOUCHER ISSUANCE AND RESCISSION

7.1. General

CHA's goals and objectives are designed to assure that families selected to participate are equipped with the tools necessary to locate an acceptable housing unit; that families are provided sufficient knowledge and information regarding the program; and, how to achieve maximum benefit while complying with program requirements. The CHA will conduct a mandatory briefing to ensure that families know how the program works prior to issuing the initial voucher.

The briefing will provide a broad description of owner and family responsibilities, program procedures, and how to lease a unit. The family will also receive a briefing packet, which provides more detailed information about the program including the benefits of moving outside areas of poverty and minority concentration.

This Chapter describes how briefings will be conducted, the information that will be provided to families, and the policies that will apply when vouchers must be rescinded or terminated due to budgetary constraints.

7.2. Issuance of Vouchers

When funding is available, CHA will issue vouchers to applicants whose final eligibility has been determined. CHA will strive to maintain 100% utilization of all program funds. Program capacity will be closely monitored to determine success rates, average lease up time, and monthly turnover. This statistical information will serve as the basis to determine the number of vouchers to be issued on an ongoing basis to achieve the 100% utilization rate of annual budget authority.

7.3. Term of Voucher

The voucher is valid for a period of ninety (90) calendar days from the date of issuance. The family must submit a Request for Tenancy Approval (RFTA) within the ninety-day period or request an extension in accordance with the extension provisions outlined below. If the Voucher has expired, and has not been extended, the family will not receive assistance and will be removed from the waiting list. The family will not be entitled to a review or hearing.

Participants in Veterans Affairs Supportive Housing (VASH) program will receive a voucher for 120 days.

7.4. Voucher Term Extension

The CHA will grant an extension of the voucher term as an approved Reasonable Accommodation, for families issued vouchers under the Veterans Affairs Supportive Housing (VASH) and to protect victims under VAWA. voucher term may be extended for a total of 180 days.

7.5. Rescinding Vouchers

If, due to budgetary constraints, CHA must rescind vouchers that have already been issued to families, CHA will do so in accordance with the instructions in each category

listed below.

Category 1: Vouchers issued but for which CHA has not yet received a Request for Tenancy Approval (RFTA) – Vouchers in this category will be rescinded based on the date in which they were issued.

Category 2: Voucher issued in which CHA has received a Request for Tenancy Approval (RFTA) – Vouchers in this category will be rescinded based on the date in which the RFTA was received starting with the most recently received.

7.6. Termination of Vouchers with Active HAP Contracts

If, due to budgetary constraints, CHA must terminate vouchers under an active Housing Assistance Payment (HAP) contract, CHA will do so in accordance with HUD requirements and the guidelines set forth below.

On a monthly basis, CHA will undertake a review of utilization for the purpose of determining if the program is fully utilizing the available annual budget authority. In the event that ABA is under-utilized or over-utilized, appropriate corrective action will be taken to increase or decrease utilization as appropriate. Reasonable and necessary measures will be undertaken to maintain program costs in line with the objectives of a full, but not excessive, utilization of funding by:

- Optimizing the number of qualified families assisted by the program (full, but not excessive, leasing of the baseline number of vouchers authorized) while providing housing choice, and
- Ensuring that Rents to Owners are reasonable in light of comparable rents in the unassisted market.

CHA will periodically review and adjust operating parameters of the program to achieve the above objectives. To the extent necessitated by program circumstances, CHA will consider, adopt, and implement any or all of the following cost containment or cost reduction measures:

- Adjust Payment Standards
- Adjust Utility Allowances
- Restrict Portability and Moves to within CHA's Jurisdiction
- Ensure Reasonable Rents
- Adjust Subsidy Standards
- Adjust Interim Reexamination Policies and Procedures
- Restrict the Issuance of Vouchers
- Cancel Vouchers in Search Status

7.7. Declaration of Insufficient Funding –

Prior to the termination of any voucher under an active HAP contract for reason of insufficient funding, a formal “Declaration of Insufficient Funding” will be issued. This declaration will be made in writing and signed by the Executive Director.

A Declaration of Insufficient Funding will be made only if the following conditions are present, documented, and confirmed:

- CHA has taken all reasonable and prudent steps to reduce HAP costs and a thorough analysis of remaining ABA authority has been completed and after factoring in the projected impact of the reasonable HAP cost containment and control steps outlined above, determines that ABA and any available Net Restricted Assets (NRA) funding is or will be depleted and there will be insufficient funds to support the current or projected number of assisted families for any part of the remainder of the calendar year;
- The CHA has, in good faith, investigated possible alternative sources of funds, including but not limited to Project Reserves, Administrative Fee Reserves, and Non-Federal resources, available to support the current or projected level of HAP assistance through the remainder of the calendar year and has determined that such available alternative funding is insufficient; and
- The analysis, findings, and actions detailed above are thoroughly documented and approved in writing by the Executive Director.
- The formal “Declaration of Insufficient Funding” will identify the magnitude of the funding shortfall, past, current and planned steps taken to mitigate the shortfall, and an assessment of the fiscal impact of continuing HAP assistance at the current or projected rate.

7.8. Authorization to Terminate HAP Contracts

Authority to approve the termination of HAP contracts due to insufficient funding is vested in the CHA Board of Commissioners. Approval to terminate HAP contracts will be granted only through formal resolution of the Board after it has duly considered a formal Declaration of Insufficient Funding.

A Request to Terminate HAP Contracts Due to Insufficient Funding will be presented to the Board of Commissioners in writing and detail:

- The approximate number and dollar value of HAP contracts to be terminated;
- The timetable for contract terminations; and
- The Administrative Plan reference that details the procedure to be used to terminate the contracts; and
- Signature of the Executive Director accompanied by the Declaration of Insufficient Funding.

7.9. Selecting Contracts to be Terminated

The CHA will terminate contracts under this provision to achieve a leasing/utilization rate that is consistent with the financial resources available to the HCV program. A HAP Contract Termination List will be prepared which identifies each contract (by participant, owner, address, and effective date of the first HAP contract provided by the CHA on behalf of the participant) to be terminated in accordance with the established order of priority.

7.10. Order of Priority for Contract Termination

The priority of contract termination will be based on the date of initial CHA assistance. Contracts will be terminated in the order of initial contract effective date of a non-elderly

and non-disabled family continuously assisted by the CHA. Initial assistance is determined by the date of the first HAP contract that provided assistance to the participant began. This includes:

- Outgoing portable vouchers. Initial assistance for these vouchers will be determined by the date of the first HAP contract that began the most recent period of continuous assistance for which the CHA has responsibility for payment. This includes any contract executed by the receiving PHA.
- Incoming Portable Voucher HAP Contracts (for which the payments by the Initial PHAs have not been received in the last three consecutive months and for which the Initial PHA has been given appropriate notification and opportunity to cure the delinquency). Initial assistance is determined by the date of the first HAP contract that began the most recent period of continuously CHA-administered assistance.
- Incoming Portable Voucher HAP Contracts (for which the initial PHA refuses to honor billings). The CHA may be forced to absorb such contracts from time to time as a result of the initial agency's refusal to honor billing. The CHA will absorb such contracts as funding permits; however, in the event of funding shortfalls, these contracts will be terminated.

Random Selection – In the event the above selection criteria fails to yield a sufficient number of contract terminations necessary to meet funding levels, additional contracts will be selected through a random lottery. Using the assigned voucher number, CHA will randomly select numbers and rank them based on selection. Contracts will be terminated in order of ranking until a sufficient number of contracts have been identified to achieve the required cost reductions.

7.11. Notification of Contract Terminations –

CHA will provide notification of HAP Contract terminations as follows:

- Landlords will be provided with 30 days written notice that the HAP Contract will be terminated in accordance with the terms and conditions of the contract for lack of funding. Contracts will be terminated as of the last day of the month following the month in which the written notice is provided.
- Participants will be provided with 30 days written notice that their assistance will be terminated in accordance with the provisions of the Administrative Plan and HUD guidance. Participants will not be entitled to a hearing for termination of assistance under this provision.
- An initial PHA with payment delinquencies of more than 3 months will be provided with a copy of the notices sent to the Owner and Participant. A copy of the Declaration of Insufficient Funding will be attached to the notice.
- A receiving PHA of a CHA outgoing portable family will be notified at least 60 days in advance of the effective date of termination of assistance. The receiving PHA may choose to absorb the voucher or terminate assistance. If the receiving PHA terminates the assistance, they will be responsible for notification to the Owner and Participant.
- Responsibility to Maintain Current Contact Information on File – Participants whose voucher is terminated for the reasons under this section, will be responsible for maintaining current contact information on file with CHA. If future funding permits the reinstatement of assistance and CHA is unable to contact the family due to incorrect

information on file, the family will be permanently removed from the program and no further efforts will be made to reinstate assistance. Households terminated due to insufficient funding will be wait listed for a period of three years and will be selected for issuance of a voucher prior to any applicants on the pre-application waiting list.

7.12. Resumption of Funding

Insufficiently funded participants will be offered the opportunity to receive vouchers in the reverse order of their termination under this section (i.e., those terminated last will be the first to receive offers of vouchers).

At the time it is determined that assistance may be resumed, CHA will provide written notice to an impacted participant informing them of their opportunity to resume their voucher. This notice will inform family of the:

- Process by which they will be assessed for eligibility for a voucher;
- Date, time, and location to which the family's affirmative response to the notice must be delivered; and
- The eligibility criteria for receipt of a voucher
- All factors of initial eligibility will be re-assessed prior to reinstatement of a voucher and resumption of assistance. Only families meeting the eligibility requirements will be issued a voucher. Families that successfully lease a unit in accordance with the terms of their vouchers will be considered new admissions.

SECTION 8: APPROVAL OF TENANCY AND CONTRACT EXECUTION

8.1. General

CHA's program operations are designed to utilize available resources in a manner that is efficient and provides eligible families timely assistance based on the number of units that have been budgeted. Program objectives include maximizing HUD funds by providing assistance to as many eligible families and for as many eligible units as the budget will allow. After families are issued a voucher, they may search for a unit anywhere within the designated jurisdiction. The family must find an eligible unit under the program rules, with an owner/landlord who is willing to enter into a Housing Assistance Payments Contract with CHA.

This Chapter defines the types of eligible housing, CHA's policies, which pertain to initial inspections, lease requirements, owner disapproval, and the processing of Requests for Tenancy Approval (RFTA).

8.2. Eligible Types of Housing

Any of the following types of housing are eligible to be considered for assistance under the Housing Choice Voucher Program:

- All structure types: single family, duplex, multi-family, low rise or high-rise;
- Manufactured homes where the assisted family leases the mobile home and the pad;
- Group Homes or Shared Housing for senior or disabled families;
- Congregate and Assisted Living facilities (only the shelter rent is assisted);
- Single Room Occupancy facilities;
- Units owned by the PHA;
- Units being purchased by the assisted family in accordance with the HCV Homeownership criteria.

8.3. Actions before Lease Term

All of the following must always be completed before the beginning of the initial term of the lease for a unit:

- The unit has been inspected and meets all requirements of the federal Housing Quality Standards;
- The rent has been determined reasonable by CHA in accordance with rent reasonableness criteria; and
- CHA has approved leasing of the unit in accordance with all other program requirements.

Changes in Income Prior to Lease-Up – Changes in income that occur post-eligibility but pre-lease up will be processed as follows:

- Tenant rent and HAP payments for the first month of the contract on a new unit will be based on the income utilized to approve the affordability of the unit.
- Increases in income will be processed prior to completion of the lease up to expand housing choice through increased affordability options.
- Decreases in income will not be processed until the lease up process is complete.

8.4. Separate Agreements

Families and owners will be advised of the prohibition of illegal side payments for additional rent, or for items normally included in the rent of unassisted families, or for items not shown on the approved lease. However, owners and families may execute separate agreements for services, appliances (other than range and refrigerator) and other items that are not included in the lease if the agreement is in writing and approved by CHA.

The family is not liable under the lease for unpaid charges for items covered by separate agreements and nonpayment of these agreements cannot be cause for eviction. Any appliances, services or other items, which are routinely provided to unassisted families as part of the lease (such as air conditioning, dishwasher or garage) or are permanently installed in the unit, cannot be put under separate agreement and must be included in the lease. CHA will only approve a separate agreement if the family has the option of not utilizing the service, appliance or other item.

8.5. Information to Owners

Upon written request from a prospective property owner, CHA will provide the following information about a program applicant and/or participant.

- Current address as reflected in the file;
- Names, ages and relationship of household members;
- Former address if reflected in the file;

CHA will inform owners that it is the responsibility of the landlord to determine the suitability of prospective tenants. A statement of the CHA's policy on release of information to prospective landlords will be included in the briefing packet, which is provided to the family.

SECTION 9: HOUSING QUALITY STANDARDS AND INSPECTIONS

9.1. General

HUD inspection standards, Housing Quality Standards (HQS) and its successor criteria National Standards for the Physical Inspection of Real Estate (NSPIRE), are federal standards established by HUD that serve to measure the minimum quality of housing acceptable in the Housing Choice Voucher Program. HUD standards are utilized to inspect housing units at initial occupancy and during the term of the Housing Assistance Payments contract. HUD standards apply to the building and premises, as well as the unit. Newly leased units must pass the housing inspection before the beginning date of the HAP contract. CHA will inspect each unit under contract at least biennially. CHA will also maintain a quality control inspection program, which will re-inspect a minimum of 5% of all inspections to assure consistency of enforcement of inspection standards.

This Chapter describes CHA's policies for performing inspections, as well as standards for the timeliness of repairs. It also explains the responsibilities of the owner and family, and the consequences of non-compliance with inspection standard requirements for both families and owners.

9.2. Guidelines/Types of Inspections

Effort will be made to encourage owners to provide housing above minimum standards. However, CHA will not promote any additional acceptability criteria, which is likely to adversely restrict housing choice.

If the tenant is responsible for supplying the stove and/or the refrigerator, CHA will complete the initial inspection without the stove and refrigerator in the unit, provided that the family certifies that the appliances will be placed in the unit and will be in proper working order.

The following types of inspections will be conducted as required:

- **Biennial Inspection** – a routine inspection conducted on a property 24 months from the date of the last inspection.
- **Re-inspection** – an inspection of a property which failed its annual inspection and for which the owner has not certified to the correction of failed items;
- **24-Hour Re-inspection** – an inspection on a property which had a failing item considered a life/safety hazard;
- **Initial** – inspection on a property which the tenant has selected and is requesting approval of a new unit;
- **Special** – inspection on a property which has been requested by the resident or governmental official reports property deficiencies;
- **Abatement Cure** – inspection on property where abatement has commenced but is still within the thirty-day window prior to termination;
- **QA (Quality Assurance)** – re-inspection by a supervisor of units previously inspected;

9.3. Frequency of Inspections

CHA will conduct inspections at least every two years for all units under a Tenant Based Housing Choice Voucher HAP contract. CHA may conduct an inspection prior to the biennial if there is reason to believe that the property is non-compliant with HUD standards.

9.4. Timing of HQS Inspections

The chart below provides the general timelines that CHA will utilize in scheduling and conducting HQS inspections

Type of Inspection	To Be Scheduled	To be Completed
Initial	Within 48 hours from completion of rent negotiations	Within 72 hours from schedule.
Biennial	120 days prior to anniversary date of the last inspection	90 days prior to the anniversary date of the last inspection
Special	Within 24 hours if the issue reported is life threatening; within 14 days if the issue is not considered life threatening.	Within 48 hours from schedule
Emergency Inspection	At initial inspection if the unit has life-threatening deficiencies	Within 24 hours of initial inspection
Re- inspection	If the owner fails to provide certification to the correction of deficiencies, the CHA will schedule within 20 days of the failed inspection. The CHA will cancel the inspection if the owner provides the certification within 28 days.	Within 30 days of the failed inspection.
Quality Control Inspection	Within 90 days of the Biennial Inspection	Within 90 days of the Biennial Inspection

The family must allow CHA to inspect the unit at reasonable times with reasonable notice. Reasonable hours to conduct an inspection are between 9:00 a.m. and 5:00 p.m., Monday through Friday. Notice will be provided to the family and landlord via first class mail a minimum of ten (10) days prior to the first attempt for an inspection. The notice will provide the specific date of the inspection and a four-hour window for the time of the inspection.

The family and/or the owner will be notified of a scheduled life/safety re-inspection. Re-inspection notice for non-emergency items will be provided in the fail letter issued to the owner and the family.

Two attempts will be made for all inspection types. If access to the unit cannot be obtained after the second attempt, the unit will be considered in non-compliance with the inspection standards and appropriate action will be taken based on the inspection type.

Responsibility for access for biennial inspections and any related required re- inspections is the responsibility of the assisted household and failure to provide access is a violation of the family obligations under the voucher contract. Access for all other inspection types is the responsibility of the owner.

Special Inspections – Participants may file a complaint inspection via telephone. Upon receipt of a request for a special inspection from a participant,

9.4. Time Standards for Repairs

The owner must correct life/safety items, which endanger the family's health or safety, within 24 hours from the initial inspection. Non-emergency repairs must be made within 10 days from the date of an initial inspection or re-inspection and within 30 days from the date of all other inspections or re-inspections.

If a unit fails to comply with HQS at an initial inspection or re-inspection, the applicant will be notified to continue their search for housing within the time frame remaining on the voucher. If a unit fails to comply with HQS at any other inspection, actions will be taken as described below.

9.5. Modifications to HQS

CHA will use the federal inspection standards for acceptance of units under the Housing Choice Voucher Program. Any modifications or adaptations to a unit to permit a reasonable accommodation for a person with a disability must meet all applicable requirements.

Additional acceptance standards will apply to mobile homes approved for participation in the HCV program. These standards are detailed in the appendix attached to this Administrative Plan.

9.6. Life/Safety Items

The following items will be defined as life/safety items and must be corrected within 24 hours of the initial inspection.

The following are considered life-threatening conditions:

- Natural or LP gas or fuel oil leaks
- A fuel storage vessel, fluid line, valve, or connection that supplies fuel to a HVAC unit is leaking or a strong odor is detected with potential for explosion or fire or that results in a health risk if inhaled
- Any electrical problem or condition that could result in shock or fire
- A light fixture is readily accessible, is not securely mounted to the ceiling or wall, and electrical connections or wires are exposed
- A light fixture is hanging by its wires
- A light fixture has a missing or broken bulb, and the open socket is readily accessible to the tenant during the day-to-day use of the unit
- A receptacle (outlet) or switch is missing or broken and electrical connections or wires are exposed
- An open circuit breaker position is not appropriately blanked off in a panel board, main panel board, or other electrical box that contains circuit breakers or fuses
- A cover is missing from any electrical device box, panel box, switch gear box, control panel, etc., and there are exposed electrical connections
- Any nicks, abrasions, or fraying of the insulation that exposes conducting wire

- Exposed bare wires or electrical connections
- Any condition that results in openings in electrical panels or electrical control device enclosures
- Water leaking or ponding near any electrical device
- Inoperable or missing smoke detector
- The smoke detector is missing.
- The smoke detector does not function as it should.
- Interior air quality (inoperable or missing carbon monoxide detector, where required)
- The carbon monoxide detector (where required) is missing.
- The carbon monoxide detector does not function as it should.
- Gas/oil fired water heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney or venting
- The chimney or venting system on a fuel fired water heater is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting of gases.
- A gas dryer vent is missing, damaged, or is visually determined to be inoperable, or the dryer exhaust is not vented to the outside.
- A fuel fired space heater is not properly vented or lacks available combustion air.
- A non-vented space heater is present.
- Safety devices on a fuel fired space heater are missing or damaged.
- The chimney or venting system on a fuel fired heating, ventilation, or cooling system is misaligned, negatively pitched, or damaged which may cause improper or dangerous venting of gases.
- Absence of a working heating system to maintain an internal temperature of 69 degrees when outside temperature is below 60 degrees Fahrenheit.
- Absence of working cooling system to maintain temperature no greater than eighty-eight degrees (88°) Fahrenheit, if cooled by evaporative cooling, or eighty-two degrees (82°) Fahrenheit, if cooled by air conditioning.
- Lack of alternative means of exit in case of fire or blocked egress
- Any of the components that affect the function of the fire escape are missing or damaged.
- Stored items or other barriers restrict or prevent the use of the fire escape in the event of an emergency.
- The building's emergency exit is blocked or impeded, thus limiting the ability of occupants to exit in a fire or other emergency.
- Deteriorated paint surfaces in a unit built before 1978 and to be occupied by a family with a child under 6 years of age
- Any other condition subsequently identified by HUD as life-threatening in a notice published in the Federal Register.

All life/safety items will be considered the responsibility of the owner. The owner will be responsible for issuing a lease violation notice and enforcement of the terms and conditions of the lease if they feel the existence of a life/safety fail item is due to the tenant violation of the lease.

If the life/safety item(s) are not corrected in the time period required the housing assistance payment will be abated in accordance with the procedures outlined further in this plan.

9.7. Determination of Responsibility for Repairs

The following inspection deficiencies are the responsibility of the family:

- Tenant-paid utilities not in service;
- Failure to provide or maintain family-supplied appliances;
- Damage to the unit or premises which is obvious as beyond normal wear and tear;
- Evidence of extensive rodent or insect infestation if a single-family structure and detailed in the lease agreement as lessee responsibility.
- Failure to maintain lawn and surrounding areas if a single-family structure and detailed in the lease agreement as lessee responsibility;

“Normal wear and tear” is defined as items which can be charged against the tenant security deposit under state law or court practice.

All other non- life/safety violations will be the responsibility of the owner including for vermin infestation in units other than single family units, even if caused by the family's living habits. However, if such infestation is serious and repeated, it may be considered a lease violation and the owner may take appropriate action in accordance with the terms of the lease.

9.8. Abatement and Contract Termination

Failure for a unit under contract to pass a re-inspection will result in abatement of the Housing Assistance Payment. Abatement means that a daily pro-ration of the Housing Assistance Payment will be deducted from any future payments for each day that the unit is not in compliance with the HQS standards. Abatement payments may be deducted from future HAP payments of the failed unit or any other HAP contract(s) that the owner has with CHA. The tenant is not responsible for any portion of the HAP abated amount but must continue to pay the tenant portion of rent during this period.

A notice of abatement will be sent to the owner informing them that abatement will commence effective the date of the inspection. The abatement period will end effective on the day following the date that the owner contacts CHA to advise that the repairs have been completed if the unit passes the re-inspection but will never extend beyond 30 days.

If the owner has not made the required repairs during the abatement period, the Housing Assistance Payments contract will be terminated in accordance with the provisions of the contract. The contract termination date will be the end of the month following the month in which the contract termination notice is issued.

The assisted family will be notified of the termination and will be advised to secure program move documents to commence search for a new housing unit. Once a termination notice has been issued, the HAP contract will not be re-instated (except a reasonable accommodation) even if the landlord proceeds to make repairs.

If an owner has a history of not completing repairs and CHA is forced to terminate three or more HAP contracts in a twelve-month period, the owner will be prohibited from future participation in the HCV Program with CHA.

9.9. Consequences If Family Is Responsible

If violations of inspection standards are determined to be the responsibility of the family, CHA will require the family to make any repair(s) or corrections within 30 days unless such violations pose an immediate threat to the family's health and safety which will include violations due to failure to maintain service for tenant paid utilities. In the case of violations that pose an immediate health and safety threat, CHA will take immediate action to terminate assistance. If the other repair(s) or correction(s) are not made within the 30-day required time period, CHA will terminate assistance to the family, for violation of their family obligations in accordance with the termination of assistance provisions detailed further in this Plan.

The owner's rent will not be abated for items which are the family's responsibility. If the tenant is responsible and corrections are not made, the HAP contract will terminate when assistance is terminated.

The CHA may deny tenant's request to move if the tenant's current unit has not passed inspection standards due to the tenant (not resulting from VAWA).

SECTION 10: RENT AND PAYMENT STANDARDS

10.1. General

It is CHA's responsibility to ensure that Payment Standards are sufficient to assure maximum program utilization, to provide program applicants and participants with adequate housing choice and to assure that the rents charged by owners at the time of initial lease up and at each annual re-certification are reasonable based upon unassisted comparable units in the rental market.

This Chapter explains CHA's policies for determination of rent-reasonableness, payments to owners, adjustments to the Payment Standards, and rent adjustments.

10.2. Rent Reasonableness Determinations

A rent reasonableness test will be conducted to determine if the requested rent is reasonable in comparison to rent for other comparable unassisted units in the market. Rent reasonable tests will be conducted for the following:

- An initial rent requested on the RTA form;
- Prior to any increase in the contract rent;
- If there is a ten percent decrease in the published FMR 60 days before the contract anniversary;
- Other HUD required reason.

At all times during the assisted tenancy, the rent to owner may not exceed the reasonable rent as most recently determined or re-determined by CHA. The owner will be advised that by accepting each monthly housing assistance payment s/he will be certifying that the rent to owner is not more than rent charged by the owner for comparable unassisted units in the premises. If requested, the owner must provide CHA with information on rents charged by the owner for other unassisted units in the premises or elsewhere.

CHA will utilize an automated database system for determination of rent reasonableness. The database will include market rental data for unassisted units to complete a rent comparability analysis. Data utilized will be compliant with 24 CFR § 982.507 Rent to owner: Reasonable rent.

CHA will identify comparable units that are most consistent with the unit for which the comparability analysis is being conducted. A minimum of two similar units will be identified and the corresponding data will be reflected on the automated rent reasonableness form.

This data will be compared with the requested rent for the assisted unit. If the requested rent is greater than the comparable units selected, CHA will negotiate with the owner to reach an agreed upon rent amount that meets the rent reasonable test. If the rent is less than the comparable, CHA will approve the rent increase.

10.3. Payment Standards for the Voucher Program

The Payment Standard is used to calculate the maximum subsidy and the housing assistance payment for a family and is based on Fair Market Rents (FMR) published by HUD on an annual basis.

CHA will maintain the payment standards within the HUD established range of the published FMR. CHA will review and analyze the payment standards on an annual basis when the new FMR's are published. If CHA's current payment standards remain within the HUD established range (minimum of 90% and a maximum of 110%) of the newly published FMR's, the payment standards will not be adjusted.

When reviewing the payment standard on an annual basis, CHA will consider the available budget authority and determine if an increase is needed to improve leasing success rates or a reduction in payment standards is needed including an amount below 90% of the published FMR, to assist a maximum number of households up to CHA's baseline allocation. If it is determined that payment standards below 90% of FMR is needed, a waiver will be secured from HUD with corresponding justification.

On a case by case basis, as a reasonable accommodation, HCV Team Lead may approve a payment standard amount up to 120% of the published FMR as a reasonable accommodation for a family with a disabled member.

10.4. Decreases in the Fair Market Rent

If HUD FMRs' decrease, CHA will allow families that are currently under a HAP contract to continue to use the payment standard in effect as long as the family continues to receive the voucher assistance in that unit. However, in the event that the family moves to a new unit the new or current payment standard will be applied to the voucher.

SECTION 11: RE-CERTIFICATIONS

11.1. General

CHA will reexamine the income and household composition of all assisted families at least annually. Families will be provided accurate annual and interim rent adjustments. Re-certifications and interim examinations of income will be processed in a manner that ensures families are given reasonable notice of rent increases.

This Chapter defines CHA's policy for conducting annual re-certifications and coordinating annual activities. It also explains the interim reporting requirements for families, and the standards for timely reporting.

11.2. Re-certification

Streamlined Recertifications – CHA will streamline the income determination process for family members with fixed sources of income. Fixed sources of income include Social Security and SSI benefits, pensions, annuities, disability or death benefits, and other sources of income subject to a COLA or rate of interest. The determination of fixed income may be streamlined even if the family also receives income from other non-fixed sources.

CHA will streamline the annual reexamination process by applying the verified COLA or interest rate to fixed-income sources and document in the file how the determination that a source of income was fixed was made. If verification of the COLA or rate of interest is not available, CHA will obtain third-party verification of income amounts. Third-party verification of fixed sources of income will be obtained at least once every three years thereafter.

Annual Recertifications - Annual Recertification will be conducted for all other households. Once each year, CHA will mail notification to the assisted unit address of the requirements to complete their annual re-certification. CHA will not issue any mail to an address (such as a P.O. Box or mail center) other than the assisted unit address and it is the responsibility of the family to assure that mail can be delivered at the assisted unit.

Instructions for completion of the annual recertification will be provided in the re-certification notice including a date by which the recertification must be completed.

If the family does not complete re-certification packet by the stated deadline, a termination of assistance notice will be issued to the family. If the family completed the recertification prior to the date of termination, to request a hearing, the termination action will be suspended.

Timing of Rent Change – Changes in tenant rent will take effect on the first of the month following CHA's completion of the annual recertification process except in the following circumstances:

- If the family causes a delay in the reexamination processing, there will be a retroactive increase in rent to the scheduled effective date of the annual re-certification.

- If CHA caused a delay in the reexamination processing, the increase in rent will take effect on the effective date of the annual re-certification or after providing a 30 day notice to the participant of the increase.
- Decreases in rent will always take effect the first of the month following completion of the annual recertification, regardless of the annual recertification effective date.

11.3. Interim Re-certifications

Zero Income Households – If a family declares zero income the time of the annual re-certification and later obtains income, they must report the new income within 30 days from the date it becomes effective and an interim re- certification will be conducted.

Changes in Employment – If a household member is not employed at the time of annual re-certification but later obtains a job; or, if a household member obtains an additional job, the family must report the new or additional employment within 30 days from the date of starting work and an interim recertification will be completed. Other changes in employment income such as a different job or an increase in salary at an existing job do not need to be reported and if reported, an interim re-certification will not be conducted.

Other Changes in Income –Other changes in income such as current Social Security and Disability will not need to be reported and if reported, file will be noted it was received and an interim recertification will not be completed. If the Social Security is newly started, stopped or is being reinstated an interim recertification will be completed. All changes in income will need to be reported with the annual recertification.

Decreases in Income – Participants may choose to report a decrease in income and other changes, which would reduce the amount of tenant rent, such as an increase in allowances or deductions. If these changes are reported and it will result in a change in tenant rent, an interim re-certification will be completed.

Effective Date – If changes in rent for interim re-certification would result in a decrease of tenant rent, the change will become effective the first of the month after the change was reported provided all documentation was received prior to the 25th day of the month. If documentation is not received until after the 25th day of the month, the rent decrease will take effect the first of the second month after receipt of all documentation.

If changes in rent for interim recertification would result in an increase of tenant rent, the change will become effective the first of the second month following the month in which the change occurred.

11.4. Income Changes Resulting from Welfare Program Requirements

Decreases in income resulting from changes or discontinuance of welfare benefits will be processed as follows:

- Tenant rent will not be decreased if welfare assistance is reduced because of fraud, failure to participate in an economic self-sufficiency program, or noncompliance with a work activities requirement.
- Tenant rent will be decreased if welfare assistance is reduced because of the expiration of a lifetime time limit on receiving benefits or a situation where the family has complied with welfare program requirements but cannot or has not obtained employment.

SECTION 12: PROGRAM MOVES AND PORTABILITY

12.1. General

HUD regulations permit families to move with continued assistance to another unit within CHA's jurisdiction, or to a unit outside of CHA's jurisdiction under the program portability provisions. The regulations also allow discretion to develop policies, which define any limitations or restrictions on moves.

This Chapter defines the policies for moves, both within and outside of CHA's jurisdiction, and the policies for restriction and limitations on moves.

12.2. Permissible Moves

Voluntary Moves – Assisted households will only be permitted to exercise a move on a voluntary basis once each year. Families must complete all requirements of an annual recertification prior to a voluntary move. This requirement may be waived if the annual recertification was completed within 120 days of the move.

Mandatory Moves – Mandatory moves may be initiated any time for the following reasons:

- The Housing Assistance Contract is terminated by CHA for the owner's failure to comply with inspections standards or other terms of the contract;
- The owner has commenced an action to terminate the family's lease through no fault of the family;
- A household member with a disability, requires a reasonable accommodation.

12.3. Portability

A non-resident applicant is an applicant who did not reside in the CHA jurisdiction at the time of their application to the CHA wait list. The CHA requires a non-resident applicant must reside within the jurisdiction of CHA for a period of one year prior to exercising portability options. The CHA may waive this requirement as a reasonable accommodation or for a victim under VAWA. Portability applies to families moving out of or into CHA's jurisdiction from another geographic location. Within the limitations of the regulations and this policy, a participant family has the right to receive tenant-based voucher assistance to lease a unit anywhere in the United States where a Public Housing Authority operates a tenant-based assistance program.

To "port" to a jurisdiction outside of CHA, the applicant family must be income eligible under the income limits of the jurisdiction to which they intend to port during the initial 12-month period after admission to the program. Income eligibility does not apply to the participant family.

CHA will not permit families to exercise portability if there are grounds to deny a move because of the family's action or failure to act including violations of family obligations under their Housing Choice Voucher; the family owes money to CHA; or, the family has vacated the assisted unit in violation of the lease agreement.

Prior to denial of a portability move, CHA will determine if there is a need for a reasonable

accommodation or an exception under the provisions of VAWA.

SECTION 13: Reserved for future use

SECTION 14: DENIAL OR TERMINATION OF ASSISTANCE

14.1. General

CHA will deny or terminate assistance for a family because of the family's action or failure to act. The Voucher specifies the Family Obligations under the program and the grounds under which CHA can deny or terminate assistance. The Family is also provided with written procedures for informal hearings at the time of their briefing and in the letter of proposed termination.

This Chapter describes when CHA is required to deny or terminate assistance; the policies for the denial of a new commitment of assistance; and, the grounds for termination of assistance under an outstanding HAP contract.

14.2. Denial/Termination

If denial or termination is based upon behavior resulting from a disability, CHA will delay the denial or termination in order to determine if there is an accommodation, which would negate the behavior resulting from the disability.

Denial of assistance for an applicant may include any or all of the following:

- Denial for placement on the waiting list;
- Denying a voucher or withdrawing a voucher;
- Refusing to enter into a HAP contract or approve a tenancy;
- Refusing to process or provide assistance under portability procedures;

Termination of assistance for a participant may include any or all of the following:

- Refusing to enter into a HAP contract or approve a tenancy;
- Terminating housing assistance payments under an outstanding HAP contract;
- Refusing to process or provide assistance under portability procedures.

14.3. Mandatory Denial and Termination

In accordance with federal regulations, CHA must deny assistance to applicants, and terminate assistance for participants for the following reasons:

- Family choice
 - The family may request that the CHA terminate housing assistance payments on behalf of the family at any time.
- Family with Zero Assistance
 - If the family has received zero assistance in 180 days CHA will terminate assistance. If the participating family receiving zero assistance experiences a change in circumstances that would cause the HAP payment to rise above zero. The family must notify the CHA of the changed circumstances and request an interim re-certification before the expiration of the 180 day period.
- Eviction
 - The CHA must terminate assistance whenever a family is evicted from a unit assisted under the HCV program for a serious or repeated violation of the lease. A family will be considered evicted if the family moves after a legal eviction order has been issued, whether or not physical enforcement of the order was

necessary.

- Failure to provide consent
 - The CHA will terminate the lease if any family member fails to sign and submit any consent form s/he is required to sign for any reexamination.
- Failure to document citizenship
 - The CHA will terminate the lease if (1) a family fails to submit required documentation within the required timeframe concerning any family member's citizenship or immigration status; (2) a family submits evidence of citizenship and eligible immigration status in a timely manner, but United States Citizenship and Immigration Services (USCIS) primary and secondary verification does not verify eligible immigration status of the family, resulting in no eligible family members
- If the CHA determines that a family member has knowingly permitted an ineligible individual to reside in the family's unit on a permanent basis.
- Failure to Disclose SSN:
 - The CHA will defer the family's termination and provide the family with the opportunity to comply with the requirement for a period of 90 calendar days for circumstances beyond the family's control such as delayed processing of the SSN application by the SSA, natural disaster, fire, death in the family or other emergency, if there is a reasonable likelihood that the family will be able to disclose an SSN by the deadline.
- Threat to Other Participants
 - The CHA will terminate the lease when any household member engages in any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other participants or by persons residing in the immediate vicinity of the premises. Immediate vicinity means within a three-block radius of the premises.
- Methamphetamine Conviction:
 - The CHA will immediately terminate the lease if CHA determines that any household member has ever been convicted of manufacture or production of methamphetamine in any location, and/or on the premises of federally-assisted housing.
- Furnishing False or Misleading Information Concerning Illegal Drug Use or Alcohol Abuse or Rehabilitation
 - The CHA will terminate the lease if the CHA determines that a household member has furnished false or misleading information concerning illegal drug use, alcohol abuse, or rehabilitation of illegal drug users or alcohol abusers.
- Other Serious or Repeated Violations of the Family Obligations of the HCV Program
- Fugitive Felon or Parole Violator
 - If a participant 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, is a high misdemeanor; or violating a condition of probation or parole imposed under federal or state law.
- Persons subject to sex offender registration requirement.
 - If any member of the household has, during their current participation in the HCV program, become subject to a registration requirement under a state sex offender registration program regardless whether it is for life time or not.
- Crime On or Off the Premises
- Drug related convictions; Alcohol related convictions (if it indicates an ongoing pattern); Fraud;

- Acts of violent behavior convictions; and or Crimes of violent behavior.

14.4. Grounds for Denial or Termination of Assistance

In addition to the above mandatory reasons for denial and/or termination of assistance, CHA will deny program assistance to an applicant or terminate assistance to a participant for any of the following reasons:

- The family violates any family obligation under the program as listed in 24 CFR 982.551;
- If any member of the family commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- The family currently owes rent or other amounts to CHA or to another PHA in connection with HCV or public housing assistance under the 1937 Act;
- The family has not reimbursed any PHA for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease;
- The family participating in an FSS program fails to comply, without good cause, with the family's FSS contract of participation;
- The family has engaged in or threatened abusive or violent behavior toward CHA personnel;
 - "Abusive or violent behavior towards CHA personnel" includes verbal as well as physical abuse or violence. Use of expletives that are generally considered insulting, racial epithets, or other language, written or oral, that is customarily used to insult or intimidate.
 - "Threatening" refers to oral or written threats or physical gestures that communicate an intent to abuse or commit violence.
 - Actual physical abuse or violence.
- A member of the family's drug or alcohol abuse interferes with the health, safety or peaceful enjoyment of other project residents;
- If any member of the family has been convicted of a violent criminal activity or a felony within the past five years.

Violent criminal activity – includes any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against a person or property as evidenced by action taken by a law enforcement agency.

Covered person – means a tenant, any member of the tenant's household, a guest or another person under the tenant's control.

Guest – means a person temporarily staying in the unit with the consent of a member of the household who has express or implied authority to so consent. A guest can remain in the assisted unit no longer than 30 consecutive days or a total of 90 cumulative calendar days during any 12-month period.

Children who are subject to a joint custody arrangement or for whom a family has visitation privileges, that are not included as a family member because they live outside of the assisted household more than 50 percent of the time, are not subject to the time limitations of guests as described above.

A family may request an exception to this policy for valid reasons. However, an exception

will not be made unless the family can identify and provide documentation of the residence to which the guest will return.

Other person under the tenant's control – means that the person, although not staying as a guest (as defined in this chapter) 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.

Standard for Violation – CHA will deny participation in the program to applicants and terminate assistance to participants in cases where a household member has been convicted of a drug related felony.

Violent Criminal Activity – means any by an applicant or participant or household member which involved 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, which resulted in the conviction of the applicant, participant, or household member.

14.5. Family Obligations

All obligations of the family are explicitly stated on the Housing Choice Voucher form which serves as the contractual document between CHA and program participants.

These obligations are discussed in detail with program participants at the mandatory briefing sessions prior to admission to the program. Violation of any of these family obligations will be grounds for termination of assistance.

14.6. Notice of Termination of Assistance

CHA will provide a written notice of proposed termination of housing assistance, which will include the following information:

- The family obligation that has been violated;
- The specific action(s) which occurred in violation of the family obligation;
- The effective date of the proposed termination,
- The family's right, if they disagree, to request an Informal Hearing to be held prior to termination of assistance; and,
- How to request a reasonable accommodation
- Tenant Protection under the Violence Against Women's Act (VAWA)
- The date by which a request for an informal hearing must be received by CHA.

CHA will provide a copy of the proposed termination to the owner. The owner will also be copied on the final outcome of the termination action and if the family's housing assistance is terminated, the HAP contract with the owner will also terminate effective the last day of the month in which the housing assistance was terminated.

14.7. Required Evidence and Considerations

CHA will pursue fact-finding efforts as needed to obtain evidence for termination of assistance. Pending termination actions will be based on the following rules of evidence:

Preponderance of evidence is defined as evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole show that the fact sought to be proved is more probable than not. Preponderance of evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Credible evidence may be obtained from police and/or court records. Testimony from neighbors, when combined with other factual evidence can be considered credible evidence. Other credible evidence includes documentation of drug raids or arrest warrants.

CHA will consider the following factors prior to making its denial or termination decision:

- Evidence of the applicant or resident's participation in or willingness to participate in social service or other appropriate counseling service programs
- The age of the applicant and the circumstances surrounding the unfavorable event or history in the program or has otherwise been rehabilitated successfully
 - CHA will require the applicant/resident 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.
- Whether the cause of the unfavorable information may be that the applicant/resident is the victim of domestic violence, dating violence, sexual assault or stalking.
- CHA acknowledges that a victim of domestic violence, dating violence, sexual assault or stalking may have an unfavorable history (e.g., a poor credit history, a record of previous damage to a unit, a prior arrest record) that would warrant denial under CHA's policies. Therefore, if CHA makes a determination to deny admission to an applicant family, CHA will include in its notice of denial/termination a statement of the protection against denial provided by VAWA, a description of CHA confidentiality requirements.
- A request that an applicant/resident wishing to claim this protection submit to CHA documentation meeting the specifications below with her or his request for an informal hearing for an applicant and a grievance hearing for a resident.
- The existence of mitigating factors, such as loss of employment or other financial difficulties.
- If the family indicates that the behavior of a family member with a disability is the reason for the proposed denial of admission or termination of assistance, CHA will determine whether the behavior is related to the disability. If so, upon the family's request, CHA will determine whether alternative measures are appropriate as a reasonable accommodation. CHA will only consider accommodations that can reasonably be expected to address the behavior that is the basis of the proposed denial or termination.

As a condition of receiving or keeping assistance, a family may agree to remove the culpable family member from the application or unit. In such instances, the head of household must certify that the family member will not be permitted to visit or to stay as a guest in the public housing unit. An incarcerated culpable family member may not be an applicant, resident or guest for five years from incarceration release date. The family

must present evidence of the former family member's current address upon CHA request.

14.8. Confidentiality of Criminal Records

CHA will utilize a third-party vendor that owns and manages a national web-based criminal screening system to conduct criminal background reviews for each adult household member. A notification of pass or fail will be the only document maintained in the participant file. Electronic copies of the detailed criminal reports will be maintained in the data system of the third-party vendor for a limited period. Upon disposition of all proposed terminations related to criminal activity, the electronic records will be deleted.

Criminal data related to applicants will be secured and maintained using the same system described above. Data for applicants will be maintained until any pending denial of assistance action is completed. At that time, the data will be deleted from the electronic database.

14.9. Housing Authority Discretion

In deciding whether to deny or terminate assistance because of action or failure to act by members of the family, CHA will consider all of the circumstances in each case, including the seriousness of the case. CHA will use its discretion in reviewing the extent of participation or culpability of individual family members and the length of time since the violation occurred.

14.10. Lease Violations

The following criteria will be used to decide if a serious or repeated violation of the lease will result in termination of assistance:

- If the owner terminates tenancy through court action for serious or repeated violation of the lease;
- If the owner notifies the family of termination of tenancy for serious or repeated lease violations, and the family moves from the unit prior to the completion of court action;
- Nonpayment of rent will always be considered a serious violation of the lease.

14.11. Notification of Eviction

If the family requests program move documents and an eviction is pending, CHA will not issue program move papers. However, if the program move papers are issued because CHA was not informed of the pending eviction and subsequently becomes informed, CHA will not approve a new tenancy. The voucher will be withdrawn until such time that a determination is made as to the household's violation of family obligations.

14.12. Proposed Additions to the Family

CHA will deny a family's request to add additional family members who are:

- Persons who have been evicted from public housing;
- Persons who have previously violated a family obligation listed in 24CFR 982.51 of the HUD regulations;
- Persons who have been part of a family whose assistance has been terminated under

the Section 8 program;

- Persons who commit fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
- Persons convicted of a felony within the past five years;
- Persons who currently owe rent or other amounts to CHA or to another PHA in connection with Section 8 or public housing assistance under the 1937 Act; or
- Persons who have engaged in or threatened abusive or violent behavior toward PHA personnel.

14.13. Limitation on Profit-Making Activity in Unit

Families are encouraged to use the assisted unit for legal profit-making ventures provided that the owner and CHA have approved such use at the time of initial lease up and such use is in compliance with all State and local laws and ordinances. However, if the business activity is conducted without property licensing or compliance with state and local laws or results in the inability of the family to use any of the critical living areas, such as a bedroom, utilized for a business which is not available for sleeping, it will be considered a violation of the family obligations and appropriate action will be taken.

14.14. Missed Appointments and Deadlines

It is a Family Obligation to supply information, documentation, and certification as needed for CHA to comply with HUD regulations and fulfill its administrative responsibilities. CHA schedules appointments and sets deadlines in order to obtain required information. The Obligations also requires that the family allow CHA to inspect the unit, and appointments are made for this purpose.

An applicant or participant who fails to keep an appointment, or to supply information required by a deadline, may be sent a Notice of Denial or a Proposed Termination of Assistance. The family will be given information about the requirement to keep appointments and the number of times appointments will be rescheduled, if any, in accordance with the various provisions of this Plan.

The only acceptable reasons for missing appointments or failing to provide information by deadlines are medical emergencies or official detainment.

Family obligations are clearly explained to the family and it is expected that the assisted family will comply with these obligations. Thus, CHA will provide families with only a single opportunity to meet program requirements before being issued a notice of proposed termination or denial for breach of a family obligation.

After issuance of the proposed termination notice, if the family cures the breach of their family obligation within the time allowed for requesting a hearing, the notice will be rescinded and no further action will be taken.

SECTION 15: OWNER PROHIBITIONS AND RESTRICTIONS

15.1. General

It is the policy of CHA to recruit owners to participate in the Voucher program. CHA will provide owners with prompt and professional service in order to attract an adequate supply of available housing for rent under the HCV program. Federal regulations define when CHA must prohibit an owner from participating in the program, and when CHA has the discretion to disapprove or otherwise restrict the participation of owners in certain categories.

This Chapter describes the criteria for owner disapproval, and the various penalties for owner violations.

15.2. Disapproval of Owner

Owners participate in the HCV Program at will and do not have a right of participation. For purposes of this section, “owner” includes a principal, management agent or any other party acting on behalf of an owner.

CHA will prohibit the participation of property owners for any of the following reasons:

- The owner has been disbarred, suspended, or subject to a limited denial of participation under 24 CFR part 24;
- An administrative or judicial action has been instituted against the owner for violation of the Fair Housing Act or other federal equal opportunity requirements and such action is pending investigation and/or resolution;
- A court or administrative agency has determined that the owner has violated the Fair Housing Act or other federal equal opportunity requirements;
- The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Act (42 U.S.C. 1437f);
- The owners owes CHA or any other PHA money;
- The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program;
- The owner has been convicted of a felony within the past five years or has been convicted of a methamphetamine crime at any time or is a registered sex offender;
- The owner has a history or practice of non-compliance with HQS for units leased under the Section 8 programs or any other federal housing program;
- The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity by the tenant, any member of the household, a guest or another person under the control of any member of the household that:
 - Threatens the right to peaceful enjoyment of the premises by other residents;
 - Threatens the health or safety of other residents, or of owner employees or other persons engaged in management of the housing;
 - Threatens the health or safety of, or the right to peaceful enjoyment of their residences, by persons residing in the immediate vicinity of the premises;
 - Is convicted of a felony while residing in the unit;

- The owner has not paid State or local real estate taxes, fines, other fees or assessments.
- The owner has failed to comply with regulations, the mortgage or note, or the regulatory agreement for projects with mortgages insured by HUD or loans made by HUD.

15.3. Restriction of Immediate Family Members

CHA is prohibited from approving a Housing Assistance Contract with an owner that is the parent, child, grandparent, grandchild, sister or brother of any member of the household to be assisted. However, this provision may be waived as a reasonable accommodation for a family member who is a person with a disability, provided that the assisted household has made reasonable efforts to locate other suitable housing and has been unsuccessful.

In cases where the owner and tenant bear the same last name, CHA will require the family and owner to certify whether they are not related to each other in any way. Failure to disclose relationship will be considered fraud and grounds for termination of tenancy and prohibition of future program participation by the owner.

15.4. Owner Restrictions and Penalties

If an owner has committed fraud or abuse or is guilty of frequent or serious contract violations, CHA will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. CHA may also terminate any additional Housing Assistance Contracts with the owner.

Before imposing any penalty against an owner, the PHA will review all relevant factors pertaining to the case, and will consider such factors as the owner's record of compliance and the number of violations.

15.5. Ownership Requirements

Landlords will be required to provide proof of ownership prior to execution of a Housing Assistance Contract. Acceptable documentation may include a Real Estate Act of Sale; the property deed or title; or other acceptable legal documentation. Utility bills, insurance documents or other such documents will not be considered sufficient evidence of ownership.

Landlords will also be required to provide proof that the mortgage on the property is current and that real estate taxes have been paid prior to execution of a HAP contract. Failure to provide proof of payment will result in cancellation of the proposed action. If the tenant has moved into the unit prior to CHA approval of the HAP contract, the tenant will be responsible for the full amount of the rent.

The Housing Assistance Payments Contract will be executed in the format as indicated on the proof of ownership. Ownership by more than one individual will require execution of all parties or appropriate legal documentation such as power of attorney, which designates a single individual to act on behalf of all owners.

Designation of a management agent or other payee will be approved with appropriate legal documentation signed by all owners of the property.

CHA will approve the assignment and transfer of a HAP contract to a new owner at the request of an owner of record. The change of ownership will be processed upon written request accompanied by appropriate documentation showing the transfer of title and recorded deed or a last will and testament identifying an executor, along with a death certificate for the owner of record.

SECTION 16: OWNER OR FAMILY DEBTS

16.1. General

This chapter describes the CHA's policies for the recovery of monies, which have been overpaid for families, and to owners. It describes the methods that will be utilized for collection of monies and the guidelines for different types of debts. It is CHA's policy to meet the informational needs of owners and families, and to communicate the program rules in order to avoid owner and family debts. Before a debt is assessed against a family or owner, the file must contain documentation to support CHA's claim that the debt is owed. The file must further contain written documentation of the method of calculation, in a clear format for review by the owner; the family or other interested parties.

When families or owners owe money to CHA, every effort will be made to collect it. CHA will use a variety of collection tools to recover debts including, but not limited to Requests for lump sum payments; Civil suits; Payment agreements; Abatements; Reductions in HAP to owner; Collection agencies; Credit bureaus; and, Income tax set-off programs.

16.2. Family Debts

Family debts may result from a single act or pattern of actions that:

"Constitutes false statement, omission, or concealment of a substantive fact that results in over-payment of housing assistance."

Failure to report changes in family income within 30 days from the date of the change in income will result in a debt assessed to the family for the overpayment of Housing Assistance application to the increased income.

CHA will only permit repayment agreements for the following circumstances:

1. A Public Housing household that is transferred to the Housing Choice Voucher Program as the result of a demolition or disposition action taken by CHA and approved by HUD, will be permitted a repayment agreement for any remaining Public Housing debts owed upon completion of the transfer.
2. A Housing Choice Voucher participant that is required to move due to a mandatory transfer for Housing Quality Standards violations and the landlord refuses to make the required repairs will be permitted a repayment agreement for any debt owed for the unit from which they are required to move.
3. If a household member of a Housing Choice Voucher participant becomes newly disabled and moves to another unit to meet the needs of the disabled individual, a repayment agreement will be permitted for any debt owed for the unit vacated.

16.3. Terms of Repayment Agreement:

- Repayment agreements require an initial payment no less than 20% of the total debt owed upon execution of the agreement.
- The remaining balance owed will be equally divided into no more than six monthly installments.
- Payments will be due by the 15th day of each month.
- Failure to make a payment will result in the issuance of a proposed termination of assistance pursuant to the provisions detailed further in this plan.

Families who owe money to CHA due to unreported income will be issued a proposed termination of assistance pursuant to the provisions detailed further in this plan. The family may, at the sole discretion of the CHA Hearing Officer, be permitted a limited time not to exceed the end of the second month following the date of the hearing, to make payment in full for any excess housing assistance payment due and payable to CHA as the result of unreported income.

If a family owes an amount, which equals or exceeds \$2,500 because of program fraud, CHA will refer the case for criminal prosecution and to the HUD Inspector General. CHA will take all action available under federal and state laws to collect any debt owed.

16.4. Owner Debts to CHA

If CHA determines that the owner has retained housing assistance payments the owner is not entitled to, CHA will reclaim the amounts from future housing assistance owed the owner for any units under contract.

If future housing assistance is insufficient to reclaim the amounts owed, CHA will require the owner to pay the amount in full within 30 days from notification. If the owner fails to pay the amount owed within the specified time period, CHA will pursue collections through the local court system and restrict the owner from future program participation.

SECTION 17: COMPLAINTS AND APPEALS

17.1. General

The informal hearing requirements defined in HUD regulations are applicable to participating families who disagree with an action, decision, or inaction of the CHA.

This chapter describes the policies to be used when families disagree with a CHA decision. The requirements are explained for informal reviews and hearings. It is the policy of the CHA to ensure that all families have the benefit of all protections due to them under the law.

17.2. General Complaints

CHA will respond promptly to complaints from families, owners, employees, and members of the public. All complaints must be provided to CHA in writing except for complaints regarding HQS life-safety violations or as a reasonable accommodation. Program participants may report HQS life-safety violations via telephone.

17.3. Informal Review for Applicants

Informal reviews apply to applicants: those families for which a Housing Assistance Payments contract has not yet been executed.

The CHA will provide applicants with the opportunity for an informal review of decisions denying the following actions:

- Listing on or removal from the waiting list;
- Issuance of a voucher;
- Participation in the program; and,
- Assistance under portability procedures.

When CHA determines that an applicant is ineligible for the program, the family will be notified of their ineligibility in writing. The notice will contain:

- The reason(s) they are ineligible;
- The procedure for requesting a review if the applicant does not agree with the decision; and,
- The time limit for requesting a review.

When denying admission for criminal activity CHA will provide the subject of the record and the applicant with a copy of the criminal record upon which the decision to deny was based. It will be the responsibility of the applicant to resolve any incorrect information reported in the criminal report.

Informal reviews are not required and will not be provided for established policies and procedures and CHA determinations such as:

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

17.4. Procedure for Review

A request for an informal review must be received in writing by the close of the business day, no later than 10 days from the date of CHA's notification of denial of assistance. The informal review will be scheduled within 30 days from the date the request is received.

All reviews will be conducted by an individual other than the person who rendered the original decision.

In order to expedite the review and provide improved service to customers, CHA will encourage the review to be conducted by telephone if acceptable to the applicant. The applicant will be given the option of presenting oral or written objections to the decision. Both the CHA and the family may present evidence and witnesses. The family may use an attorney or other representative to assist them at their own expense.

A notice of the review findings will be provided in writing to the applicant within 30 days after the review. It will include the decision of the review officer, and an explanation of the reasons for the decision. All requests for a review, supporting documentation, and a copy of the final decision will be retained in the family's file.

17.5. Informal Hearings

Hearings are only available to program participants and non-citizen applicants. Participants are households in which a HAP contract has been executed. Prior to execution of the HAP contract, all households are considered applicants and are only entitled to a review as described above. Hearing procedures will be provided to families in the briefing packet at the time of issuance of the voucher.

CHA will provide participants with prompt notice of determinations, which will include:

- The proposed action or decision of the CHA;
- The date the proposed action or decision will take place;
- The family's right to an explanation of the basis for the CHA's decision.
- The procedures for requesting a hearing if the family disputes the action or decision;
- The time limit for requesting the hearing.

All notices and correspondence related to hearings will be mailed to the address of the unit approved under the HAP contract and to one additional address if an additional address has been provided to CHA.

CHA will provide participants with the opportunity for an informal hearing for decisions related to any of the following determinations. The opportunity for an informal hearing will be provided before termination of assistance.

- Determination of the family's annual or adjusted income and the computation of the housing assistance payment;
- Determination to terminate assistance for any reason; and,
- Determinations to terminate a family's FSS contract, withhold supportive services, or propose forfeiture of the family's escrow account.

Informal hearings are not required for established policies and procedures and CHA determinations such as:

- Discretionary administrative determinations by the CHA
- General policy issues or class grievances
- Establishment of the CHA schedule of utility allowances for families in the program
- A CHA determination not to approve an extension or suspension of a voucher term
- A CHA determination not to approve a unit or lease
- A CHA determination that an assisted unit is not in compliance with HQS unless the non-compliance is the result of family obligations
- A CHA determination to exercise or not exercise any right or remedy against the owner under a HAP contract

17.6. Notification of Hearing

A request for a hearing must be received in writing by the close of the business day, no later than 10 days from the date of the CHA's notification of proposed termination. The hearing will be scheduled within 30 days from the date the request is received. All hearings will be conducted by an individual other than the person who rendered the original decision. The notice of proposed termination will include the following information:

- The date and time of the hearing;
- The location where the hearing will be held;
- The family's right to bring evidence, witnesses, legal or other representation at the family's expense;
- The right to view any documents or evidence in the possession of the CHA upon which the CHA based the proposed action and, at the family's expense, to obtain a copy of such documents prior to the hearing.
- A notice to the family that the CHA will request a copy of any documents or evidence the family will use at the hearing.

Requests for documents or evidence must be received by each party no later than 10 days before the scheduled hearing date.

17.7. Hearing Procedures

After a hearing date is confirmed, the family may request to reschedule only upon showing "good cause," which is defined as an unavoidable conflict which seriously affects the health, safety or welfare of the family. If a family does not appear at a scheduled hearing and has not rescheduled the hearing in advance, the family must contact the CHA within 24 hours, excluding weekends and holidays. The CHA will reschedule the hearing only if the family can show good cause for the failure to appear.

Families have the right to:

- Present written or oral objections to the CHA's determination;
- Examine the documents in the file which are the basis for the CHA's action, and all documents submitted to the Hearing Officer;
- Copy any relevant documents at their expense;
- Present any information or witnesses pertinent to the issue of the hearing;
- Request that CHA staff be available or present at the hearing to answer questions pertinent to the case; and
- Be represented by legal counsel, advocate, or designated representatives at their own expense.

If the family requests copies of documents relevant to the hearing, the CHA will make the copies for the family and assess a charge of \$.25 per copy. In no case will the family be

allowed to remove the file from the CHA office.

In addition to other rights contained in this Chapter, the CHA has a right to:

- Present evidence and any information pertinent to the issue of the hearing;
- Be notified if the family intends to be represented by legal counsel, advocate, or another party;
- Examine and copy any documents to be used by the family prior to the hearing;
- Have its attorney present; and
- Have staff persons and other witnesses familiar with the case present.

Evidence presented at the hearing may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. No documents may be presented which have not been provided to the other party before the hearing if requested by the other party.

The Hearing Officer may ask the family for additional information and/or might adjourn the hearing to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the CHA will take effect and another hearing will not be granted unless the family can show the reason for the missed appointment was beyond the control of the family.

The Hearing Officer will determine whether the action, inaction or decision of the CHA is legal in accordance with HUD regulations and this Administrative Plan based upon the evidence and testimony provided at the hearing. Factual determinations relating to the individual circumstances of the family will be based on a preponderance of the evidence presented at the hearing.

A notice of the hearing findings will be provided in writing to the family within 30 days and will include:

- A clear summary of the decision and reasons for the decision;
- If the decision involves money owed, the amount owed;
- The date the decision goes into effect.

The CHA is not bound by hearing decisions:

- Which concern matters in which the CHA is not required to provide an opportunity for a hearing
- Which conflict with or contradict to HUD regulations or requirements;
- Which conflict with or contradict Federal, State or local laws; or
- Which exceed the authority of the person conducting the hearing.

The CHA will send a letter to the participant if it determines the CHA is not bound by the Hearing Officer's determination within 10 days from the date of the letter issued by the Hearing Officer. The letter will include the CHA's reasons for the decision.

All requests for a hearing, supporting documentation, and a copy of the final decision will be retained in the family's file.

17.8. Provisions for “Restrictions on Assistance to Non-Citizens”

Assistance to the family may not be delayed, denied or terminated on the basis of immigration status at any time prior to the receipt of a decision if the family has a pending appeal with INS.

17.9. INS Determination of Ineligibility

If a family member claims to be an eligible immigrant and the INS SAVE system and manual search do not verify the claim, CHA will notify the applicant or participant within 10 days, of their right to file an appeal with INS within thirty days from the notification from CHA; or of their right to request an informal review or hearing with CHA, either in lieu of or subsequent to the INS appeal.

If the family appeals to the INS, they must give CHA a copy of the appeal and proof of mailing or the CHA may proceed to deny or terminate assistance. The time period to request an appeal may be extended by CHA for good cause. The request for a CHA hearing must be made within 10 days of receipt of the notice offering the hearing or, if an appeal was made to the INS, within 10 days of receipt of that notice.

After receipt of a request for an informal review or hearing, CHA will conduct such review or hearing in accordance with the policies described above. If the hearing officer decides that the individual is not eligible, and there are no other eligible family members the CHA will:

- Deny the applicant family
- Defer termination if the family is a participant and qualifies for deferral
- Terminate the participant if the family does not qualify for deferral

If there are eligible members in the family, CHA will prorate assistance pursuant to HUD regulations.

All other complaints related to eligible citizen/immigrant status will be handled as follows:

- If any family member fails to provide documentation or certification as required by the regulation, that member is treated as ineligible. If all family members fail to provide, the family will be denied or terminated for failure to provide.
- Participants whose termination is carried out after temporary deferral may not request a hearing since they had an opportunity for a hearing prior to the termination.
- Participants whose assistance is pro-rated (either based on their statement that some members are ineligible or due to failure to verify eligible immigration status for some members after exercising their appeal and hearing rights described above) are entitled to a hearing based on the right to a hearing regarding determinations of Tenant Rent and Total Tenant Payment.
- Families denied or terminated for fraud in connection with the non-citizens rule are entitled to a review or hearing in the same way as terminations for any other type of fraud.

17.10. Mitigating Circumstances for Individuals with Disabilities

When applicants are denied placement on the waiting list, or CHA is terminating assistance, the family will be informed that presence of a disability may be considered as a mitigating circumstance during the review or hearing process. Such circumstances will be considered when making the final determination of the review or hearing.

SECTION 18: SPECIAL HOUSING TYPES

18.1. General

CHA will permit the use of all types of special housing arrangements in the Housing Choice Voucher Program. Special housing arrangements include such housing alternatives as shared housing, congregate housing, assisted living, cooperative housing and other housing choices that meet the needs of program participants. Families may choose whether to rent housing that qualifies as a special housing type or to rent other eligible housing in accordance with requirements of the program.

CHA will not set aside any program funding from the Housing Choice Voucher Program for use in special housing types. However, CHA will administer any vouchers it may receive from HUD as the result of a national set aside for special program types.

18.2. Permitted housing types

The following types of rental units may be leased in the Housing Choice Voucher program, unless designated otherwise:

- Single family detached homes
- Duplexes
- Multi-plexus
- Garden apartments
- Condominiums, townhouses
- High-rises
- Manufactured homes where the tenant leases the mobile home and the pad
 - CHA will not permit the use of Housing Choice Vouchers for rental of manufactured home space only.
- Other multi-family rental housing structures

The following types of housing are not permitted in the HCV program:

- Hotels
- Motels
- Nursing homes
- College or school dormitories
- Other types disallowed by HUD regulations
- Unit occupied by its owner or a person with any interest in the dwelling unit
 - Unless its lease was effective prior to June 17, 1998, a family may not lease a property owned by relatives, i.e.: sister, brother, mother, father, spouse, son, daughter, grandmother, grandfather

CHA may permit use of any of the following types of special housing if needed as a reasonable accommodation for a person with disabilities:

- Independent Group Residences,
- Shared Housing

- Congregate Housing,

SECTION 19: PROGRAM INTEGRITY

19.1. General

CHA is committed to assuring that the proper level of benefits is paid to all participating families, and that housing resources reach only income-eligible families so that program integrity can be maintained. The CHA will take all steps necessary to prevent fraud, waste, and mismanagement so that program resources are utilized judiciously.

This Chapter outlines CHA's policies for the prevention, detection and investigation of program abuse and fraud.

19.2. Criteria for Investigation of Suspected Abuse and Fraud

CHA's expectation is that participating families will comply with HUD requirements, provisions of the voucher, and other program rules. The CHA staff will make every effort (formally and informally) to orient and educate all families in order to avoid unintentional violations. However, the CHA has a responsibility to HUD, to the Community, and to eligible families in need of housing assistance, to monitor participants and owners for compliance and, when indicators of possible abuse come to the CHA's attention, to investigate such claims.

The CHA will initiate an investigation of a participating family in the event of one or more of the following circumstances:

Referrals, Complaints, or Tips. The CHA will follow up on referrals from other agencies, companies or persons which are received by mail, by telephone or in person, which allege that a family is in non-compliance with, or otherwise violating the family obligations or any other program rules. Such follow-up will be made providing that the referral contains at least one item of information that is independently verifiable. A copy of the allegation will be retained in the family's file.

Internal File Review. A follow-up will be made if CHA staff discovers (as a function of a certification or recertification, an interim redetermination, or a quality control review), information or facts which conflict with previous file data, the CHA's knowledge of the family, or is discrepant with statements made by the family.

Verification of Documentation. A follow-up will be made if the CHA receives independent verification or documentation which conflicts with representations in the family's file (such as public record information or credit bureau reports, reports from other agencies).

19.3. Steps to Prevent Program Abuse and Fraud

The CHA Staff will maintain a high level of awareness to indicators of possible abuse and fraud by assisted families. A variety of methods and practices to prevent program abuse, non-compliance, and willful violations of program rules by applicants and participating families will be undertaken by CHA.

This policy objective is to establish confidence and trust in the management by emphasizing education as the primary means to obtain compliance by families.

Program Orientation Session. Mandatory orientation sessions will be conducted by the CHA staff for all prospective program applicants and families porting to the CHA jurisdiction either prior to or upon issuance of a voucher.

Review and Explanation of Forms. Staff will explain all required forms and review the contents of all (re)certification documents prior to signature.

Quality Control File Reviews. Prior to initial certification, and at the completion of all subsequent re-certifications, a percent of participant files will be reviewed by a supervisor. Such reviews will include, but are not limited to:

- Assurance that verification of all income and deductions is present including a current EIV report.
- Changes in reported Social Security Numbers or dates of birth.
- Authenticity of file documents.
- Ratio between reported income and expenditures.
- Review of signatures for consistency with previously signed file documents.
- All forms are correctly dated and signed.

Observation. The CHA Staff will maintain high awareness of circumstances which may indicate program abuse or fraud, such as unauthorized persons residing in the household and unreported income.

Public Record Bulletins may be reviewed by Management and Staff.

19.4. Handling of Allegations of Possible Abuse and Fraud

The CHA staff will encourage all participating families to report suspected abuse. CHA will conduct a preliminary review of allegations to determine their validity. All such referrals, as well as referrals from community members and other agencies, will be thoroughly documented and placed in the participant's file.

All allegations, complaints and tips will be carefully evaluated in order to determine if they warrant follow-up. CHA will not follow up on allegations which are vague or otherwise non-specific. CHA will review allegations, which contain one or more independently verifiable facts.

File Review. An internal file review will be conducted to determine: If the subject of the allegation is a client of the CHA and, if so, to determine whether or not the information reported has been previously disclosed by the family. It will then be determined if CHA is the most appropriate authority to do a follow-up (more so than police or social services). Any file documentation of past behavior as well as corroborating complaints will be evaluated.

Conclusion of Preliminary Review. If at the conclusion of the preliminary file review there is/are fact(s) contained in the allegation which conflict with file data, and the fact(s) are independently verifiable, CHA will initiate an investigation to determine if the allegation is true or false.

19.5. Investigation of Allegations of Abuse and Fraud

If the CHA determines that an allegation may be true, further investigation will be

undertaken. The steps taken will depend upon the nature of the allegation and may include, but are not limited to, the items listed below. In all cases, the CHA will secure the written authorization from the program participant for the release of information.

Credit Bureau Inquiries. In cases involving previously unreported income sources, a CBI inquiry may be made to determine if there is financial activity that conflicts with the reported income of the family.

Verification of Credit. In cases where the financial activity conflicts with file data, a Verification of Credit form may be mailed to the creditor in order to determine the unreported income source.

Employers and Ex-Employers. Employers or ex-employers may be contacted to verify wages which may have been previously undisclosed or misreported.

Neighbors/Witnesses. Neighbors and/or other witnesses may be interviewed who are believed to have direct or indirect knowledge of facts pertaining to the CHA's review.

Other Agencies. Investigators, caseworkers or representatives of other benefit agencies may be contacted.

Public Records. If relevant, the CHA will review public records kept in any jurisdictional courthouse. Examples of public records which may be checked are: real estate, marriage, divorce, uniform commercial code financing statements, voter registration, judgments, court or police records, state wage records, utility records and postal records.

Interviews with Head of Household or Family Members. The CHA will discuss the allegation (or details thereof) with the Head of Household or family member by scheduling an appointment at the appropriate CHA office.

The CHA staff person who conducts such interviews will maintain a high standard of courtesy and professionalism. Under no circumstances will management tolerate inflammatory language, accusation, or any unprofessional conduct or language. If possible, an additional staff person will attend such interviews.

Documents and other evidence obtained by the CHA during the course of an investigation will be considered "work product" and will be kept in a separate "work file." Such cases under review will not be discussed among CHA Staff unless they are involved in the process, or have information, which may assist in the investigation.

At the conclusion of the investigative review, CHA will determine whether a violation has occurred, a violation has not occurred, or if the facts are inconclusive.

If it is determined that a program violation has occurred, the CHA will review the facts to determine:

- The type of violation (procedural, non-compliance, fraud);
- Whether the violation was intentional or unintentional.
- What amount of money (if any) is owed by the family.
- If the family is eligible for continued occupancy.

19.6. Action for Documented Violations

Once a program violation has been documented, CHA will take the appropriate action including proposed termination of assistance and other legal action as described in this Plan.

SECTION 20: Reserved for future use

SECTION 21: HOMEOWNERSHIP

21.1 General

The Columbia Housing Authority (CHA) will provide current Housing Choice Voucher (HCV) participants with the option of participating in the Housing Choice Voucher Homeownership Program. The Housing Choice Voucher (HCV) homeownership program allows families that are assisted under the HCV program to use their voucher to buy a home and receive monthly assistance in meeting homeownership expenses. The program is limited to first-time homeowners who have received housing counseling and meet the minimum income requirements.

This chapter sets forth the policies of CHA for the administration of the Housing Choice Voucher Homeownership Program.

21.2 Eligibility for Homeownership Assistance

To be eligible to participate in the Housing Choice Voucher Homeownership Program, the family must meet all of the requirements listed below.

- The family must have been a participant in the Housing Choice Voucher program for a minimum of one year.
- The family must qualify as a first-time homeowner.
- The income of adult family members who will own the home must meet one of the following:
 - An annual adjusted income of \$30,000 per year; or,
 - If pre-qualified or pre-approved for financing that is sufficient to purchase an eligible unit, an annual gross income equal to the federal minimum wage multiplied by 2000; or,
 - If a disabled family, income equal to the current SSI monthly payment for an individual living alone, multiplied by 12.
- Welfare assistance payments for adult family members who will own the home will not be included in determining whether the family meets the minimum income requirement unless the household meets the definition of an elderly or disabled household.
- The family must satisfy the employment requirements by demonstrating that one or more adult members of the family who will own the home at commencement of homeownership assistance is currently employed on a full-time basis (not less than an average of 30 hours per week); and has been continuously employed during the year before commencement of homeownership assistance for the family.
- The family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option.
- No family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home.
- The Head of Household agrees to attend the Home Ownership 101 and Homebuyers Education classes conducted by Columbia Housing and any additional supplemental education classes deemed necessary by Columbia Housing.

21.3 Continuous Employment

The applicant head of household or spouse must remain continuously employed (no less than 30 hours per week) while participating in the program.

Part-time employment by both parties, totaling over 30 hours per week, does not constitute full-time employment by either party.

For continued eligibility purposes, continuous employment is defined two ways:

- Continuous employment by the head, spouse or co-head defined as full time employment (average of 30 hours per week) with no gap in employment lasting more than four weeks total (30 hours x 52 weeks = 1,560 hours).
- Or, earned income received by the head, spouse or co-head during the past year greater than the state minimum wage times 2000 hours ($\$7.25 \times 2000 = \$14,500$).

The employment requirement is not applicable to elderly families or those whose head or co-head of household, spouse or sole member experience permanent disability.

Mitigating Circumstances

If a working family is subsequently determined by CH to now qualify as a “disabled family,” as defined by HUD, the full-time employment requirement is no longer applicable to that family.

CH will consider mitigating circumstances where certain lapses in employment prohibit the family from meeting its continuous employment obligation. These include receipt of Unemployment Insurance Benefits due to layoff; absences defined under the Family Medical Leave Act; receipt of Workman’s Compensation benefits.

CH will allow week-for-week substitutions whenever of any of these benefits are received.

The participant must return to full-time employment within 30 days after exhaustion of unemployment benefits. Failure to return to full-time employment (30 hours per week) within 30 days will generate a 60-day Notice to Correct. Failure to correct will result in a correctable 30-day Notice of Termination.

A participant who is employed but is on leave from work due to maternity leave, FMLA or is receiving Workman’s Compensation, is exempt from the full-time employment requirement during the period of approved leave from work. A participant must return to full-time employment within 30 days after exhaustion of applicable benefits. Willful failure to return to full-time employment (30 hours per week), after 30 days, will generate a 60-day Notice to Correct. Failure to correct will result in a correctable 30-day Notice of Termination.

Consideration of other mitigating circumstances is at the discretion of a local Area Coordinator recommendation to the HCV Program Administrator. The Program Administrator will convene a three-person committee to review any additional mitigating circumstances that prevent a participant’s return to full-time employment within the time frames allotted. Determinations of the review committee are made on a case-by-case basis. Their decisions are subject to final approval by the Director.

Refusal to meet continuous employment requirements

CH may terminate a working family’s homeownership assistance based on a willful refusal to adhere to, or properly document, the full-time employment requirement.

21.4 Eligible Homeownership Units

Eligible units for homeownership assistance will be limited to the following unit types.

- The unit may not be any of the following:
 - A public housing or Indian housing unit;
 - A unit receiving Section 8 project-based assistance;
 - A nursing home, board and care home, or facility providing continual psychiatric, medical or nursing services;
 - A college or other school dormitory;
 - On the grounds of penal, reformatory, medical, mental, or similar public or private institutions.
- The unit must be under construction or already exist at the time the family enters into the contract of sale.
- The unit must be a one-unit property or a single dwelling unit in a cooperative or condominium.
- The unit must be inspected by CHA and by an independent inspector designated by the family.
- The unit must meet HUD inspection 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.
- If CHA owns the units to be purchased by an eligible family under the HCV Homeownership Program the following additional conditions will apply.
 - CHA will inform the family, in writing, that the family has the right to purchase any eligible unit and a PHA-owned unit is freely selected by the family without PHA pressure or steering;
 - The unit meets all other eligibility requirements;
 - CHA will obtain the services of an independent agency to inspect the unit for compliance with HQS, review the independent inspection report, review the contract of sale, determine the reasonableness of the sales price and any PHA provided financing.

21.5 Homeownership Counseling

Pre-purchase Counseling - HCV Participants interested in the Homeownership Option must meet with a HUD Certified Homeownership Counselor for pre-purchase counseling. Families interested in participating in the HCV Homeownership Program are not required to participate in the Family Self-Sufficiency (FSS) Program. Both HCV Homeownership and FSS Programs are voluntary programs. Families may be referred to each program, however participation is completely voluntarily.

Post-Purchase Counseling – All Homebuyers must attend a minimum of one post-purchase class within 90 days from the date of closing. The assigned FSS Case Manager will coordinate follow-up with each Homebuyer to assure attendance. CHA will also require mandatory ongoing post-purchase counseling upon notification by the family's lender of a second late payment. Failure to participate in the post-purchase counseling will be grounds for termination of assistance.

21.6 Voucher Issuance and Contract of Sale

Total Housing Costs and Maximum Purchase Price - Upon completion of the Pre-Purchase Homeownership classes, CHA will provide the family with an estimate of total housing costs and the estimated maximum home purchase price that can be supported by the family.

Total housing costs are defined as PITI (Principal, Interest, Taxes, and Insurance), a required monthly maintenance reserve of \$25.00, and Homeowner Association (HOA) or Condominium Dues, if applicable. The maximum home purchase price will be estimated based on the total housing cost cannot at no more than 110% of the HUD Fair Market Rent for the bedroom size applicable to the family composition at the time of issuance of the Homeownership Voucher.

Affordability Analysis - Independent of the lender's requirements, CH policy is that the family cannot have a family share in excess of 40% of the monthly adjusted income at the time of the initial closing.

Lender Pre-Approval – The family will utilize the estimate provided by CHA to secure a pre-approval letter from a qualified lender. A copy of the pre-approval letter must be submitted by the family prior to issuance of the Homeownership Voucher to commence the family's search for a housing unit.

Contract of Sale – The family must enter into a purchase contract with the seller of the unit to be acquired by the family and a copy of the contract must be provided to CHA for approval. CHA may deny a seller for any reasons stated in Section 15 of this Administrative Plan.

The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser;
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser;
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser;
- Provide that the purchaser is not obligated to pay for any necessary repairs; and
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation in any federal housing program.

At the request of the family, CHA will provide a list of Licensed Real Estate Agents to assist in their search for a home to purchase.

21.7 Financing

Qualified financing will be limited to the mortgage programs of the Federal Housing Administration (FHA); the Veterans Administration (VA); the South Carolina Housing and Finance Development Authority (SCHFDA); and FDIC insured commercial banks.

All financing must be fixed rate, fixed term loans. CHA will not approve any adjustable rates or balloon payments and no seller financing will be approved.

Homeownership assistance may be paid directly to the lender or the homeowner. HAP will be sent directly to lenders who require direct payment, otherwise HAP will be sent to the homeowner.

21.8 Home Inspections

An independent professional inspector selected by and paid for by the family must inspect the unit. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical, and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

The independent inspector may not be a CHA employee or contractor, or other person under control of the CHA.

CHA will conduct a Housing Quality Standard Inspection of the unit upon receipt of the report from the independent inspector. CHA will disapprove a unit for assistance based on information in the independent inspector's report, even if the unit was found to comply with HQS.

21.9 Closing and Continued Assistance

Closing - A copy of the final closing statement must be forwarded to CHA for review prior execution of closing documents to confirm that the final terms of the purchase and financing are consistent with what has been approved by CHA. A copy of the mortgage with an amortization schedule will be forwarded to CHA upon completion of the closing transaction.

Homeowner assistance will be based on the income on which the household was approved for homeownership for a period. Any changes in household circumstances must be reported in accordance with the Interim Recertification requirements outlines in Section 11 of this Administrative Plan.

Continued Assistance - The family will be required to execute a statement of in which the family agrees to comply with all family obligations under the homeownership option.

The family must comply with the following obligations:

- The family must comply with the terms of the mortgage securing debt incurred to purchase the home, or any refinancing if approved by CHA, of such debt.
- The family may not convey or transfer ownership of the home without prior approval of CHA and except for purposes of financing, refinancing, or pending settlement of the estate of a deceased family member.
- The family must supply information to CHA or HUD. The family must further supply any information required by CHA or HUD concerning mortgage financing or refinancing, sale or transfer of any interest in the home, or homeownership expenses.
- The family must notify CHA before moving out of the home.
- The family must notify CHA if the family defaults on the mortgage used to purchase the home.
- No family member may have any ownership interest in any other residential property.
- The family must comply with the obligations of a participant family in the Housing Choice Voucher Program.

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the Homeownership assistance will cease on the first of the month following the family vacating the unit.

Maximum Term of Homeownership Assistance - Except in the case of a family that qualifies as an elderly or disabled family, other family members will not receive homeownership assistance for more than:

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

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

- Has an ownership interest in the unit during the time that homeownership payments are made; or
- Is the spouse of any member of the household who has an ownership interest in the unit during the time homeownership payments are made.

In the case of an elderly family, the exception only applies if the family qualifies as an elderly family at the start of homeownership assistance. In the case of a disabled family, the exception applies if at any time during receipt of homeownership assistance the family qualifies as a disabled family.

If, during the course of homeownership assistance, the family ceases to qualify as a disabled or elderly family, the maximum term becomes applicable from the date homeownership assistance commenced. However, such a family must be provided at least 6 months of homeownership assistance after the maximum term becomes applicable (provided the family is otherwise eligible to receive homeownership assistance).

If the family has received such assistance for different homes, or from different PHAs, the total of such assistance terms is subject to the maximum term described in this part.

Homeownership assistance for a family will terminate automatically 180 calendar days after the last homeownership assistance payment on behalf of the family.

21.10 Portability

Subject to the restrictions on portability included in HUD regulations and CHA policies, a family may exercise portability if the receiving PHA is administering a voucher homeownership program and accepting new homeownership families. The receiving PHA may absorb the family into its voucher program, or bill the initial PHA.

The family must attend the briefing and counseling sessions required by the receiving PHA. The receiving PHA will determine whether the financing for, and the physical condition of the unit, are acceptable. The receiving PHA must promptly notify the initial PHA if the family has purchased an eligible unit under the program, or if the family is unable to purchase a home within the maximum time established by the PHA.

21.11 Moving with Continued Assistance

A family receiving homeownership assistance may move with continued tenant-based assistance. The family may move with voucher rental assistance or with voucher homeownership assistance. Continued tenant-based assistance for a new unit cannot begin so long as any family member holds title to the prior home.

The PHA may deny permission to move to a new unit with continued voucher assistance:

- If the PHA has insufficient funding to provide continued assistance.
- In accordance with the policies set forth in this Administrative Plan regarding denial or termination of assistance.
- In accordance with the PHA's policy regarding number of moves within a 12-month period.

The PHA must deny the family permission to move to a new unit with continued voucher rental assistance if:

- The family defaulted on an FHA-insured mortgage; and
- The family fails to demonstrate that the family has conveyed, or will convey, title to the home, as required by HUD, to HUD or HUD's designee; and the family has moved, or will move, from the home within the period established or approved by HUD.

21.12 Denial or Termination of Assistance

CHA may deny or terminate homeownership assistance in accordance with the policies set forth for the Housing Choice Voucher Program in this Administrative Plan.

CHA will terminate voucher homeownership assistance for any family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

SECTION 22: FAMILY SELF-SUFFICIENCY

22.1 General

The Family Self-Sufficiency (FSS) Program is a component of the Housing Choice Voucher Program which provides supportive services and financial incentives for HCV participants to become economically and socially self-sufficient.

The CHA maintains an FSS Action Plan which sets forth the operations and policies of this program. Below is an overview only.

22.2 Family Self-Sufficiency

The CHA Family Self-Sufficiency Program is a voluntary program. CHA has no mandatory FSS Program slots.

The purpose of the CHA Family Self-sufficiency Program is to promote the development of local strategies to coordinate the use of HCV Housing Assistance with public and private resources and to enable families eligible to receive assistance under these programs to achieve economic independence and self-sufficiency.

The objective of the FSS Program is to reduce the dependency of low-income families on welfare assistance and on Housing Assistance. Under the FSS Program, families are provided opportunities for education, job training, counseling and other forms of social service assistance while receiving HCV Housing Assistance so that they may obtain the education, employment, business and social skills necessary to achieve self-sufficiency.

22.3 Action Plan

The FSS Action Plan details the procedures of CHA's operation of the FSS Program and addresses those items not otherwise addressed in the HCV Administrative Plan that are specific to the operation of the FSS Program. The FSS Action Plan may be updated from time to time; such changes will be incorporated into the annual Agency Plan.

22.4 Contract of Participation

Each family that chooses to participate in the FSS Program must execute a Contract of Participation (COP) with HAS. The COP incorporates the individual training and services plan including specific interim and final goals and sets forth the principal terms and conditions governing participation in the FSS Program. The COP will be prepared in the format prescribed by HUD and executed by the head of the FSS family.

22.5 FSS Escrow Account

An FSS escrow account will be established for qualified families pursuant to HUD regulations. A family is eligible for an escrow contribution when there is an increase in earned income. Such escrow will be established at the time of a re-certification based on the interim re-certification requirements described elsewhere in this Administrative Plan. Escrow contributions will be credited monthly to each individual account and a statement of the account balance will be issued at least annually following the close of CHA's fiscal year. Interest will accrue at the actual amount paid by the financial institutions where the funds are on deposit.

Interim Disbursement of Funds – Escrow funds are to be considered as a savings account for the family to achieve and remain economically self-sufficient upon satisfactory completion of the FSS Program. The intended use of escrow funds is to provide down

payment assistance for homeownership or to serve as a financial cushion for difficult times the family may face after graduating from the FSS Program. Therefore, CHA will only consider requests for interim disbursement of escrow funds under the following conditions:

- The family must not have received an escrow contribution for a minimum period of two years prior to the request;
- Generally, only one interim distribution of funds will be approved during the life of the COP; however, CHA may authorize additional disbursements at its sole discretion based on an unforeseen emergency;
- The family must be in compliance with all family obligations under the Housing Choice Voucher;
- No request for interim disbursements will be considered until such time that the family has completed at least two of the stated interim goals in the COP and all interim goals identified through the time of the request must have been completed on schedule or in accordance with any CHA approved revisions to the schedule;
- Release of the requested escrow funds will permit the head of the household to complete a critical interim goal in their COP;
- The head of household has researched all other available resources and provides CHA with documentation that no other resources are available to meet the required goal.

If the request is for educational expenses, the participant must provide documentation that they have applied for and been denied financial aid from the educational institution and, such denial must be through no fault of the individual.

Denial due to failure to make payments on student loans will require the participant to negotiate a deferral and/or settlement with the Department of Education. Denial due to grade point average will require attendance records indicating that poor grades are not related to failure to attend class and a plan for tutorial or other academic assistance.

If a request is for payment of debts, no approval will be granted until such time that the family has attended financial counseling and developed a consolidated payment program for all outstanding debts and has satisfactorily complied with such payment plan for a period of one year.

If a request is for the purchase of a vehicle to provide needed transportation, the individual must be able to demonstrate the ability to pay the cost of gas, maintenance and insurance for the vehicle.

Requests for disbursements of funds will be processed as follows:

- The family must submit the request and justification for the request, in writing in the format prescribed by CHA;
- Documentation must be attached which demonstrates that the family has researched all other available resources for funding the specific goal which is to be funded by the escrow funds and has been unsuccessful in securing other resources;
- Assigned staff will review the requests and determine if the family is in compliance with all requirements governing interim disbursement of escrows and provide a recommendation for the action to be taken;
- All disbursements will be made in the form of a check and CHA reserves the right to issue such check to the applicable vendor and not the individual program participant.

Final disbursement of Escrow Funds – Final disbursement of all escrow funds will only be disbursed as follows:

- Upon successful completion of the Contract of Participation (COP) and graduation from the FSS Program;
- The head of the household has maintained employment for a period of two consecutive years;
- The family provides a certification signed by the head of the household, that no individual in the household receives any federal, state or other public assistance.

SECTION 23: THIS SECTION IS RESERVED FOR FUTURE USE

SECTION 24: PROJECT BASED VOUCHER PROGRAM

24.1 General

The Columbia Housing Authority will provide Project Based Section 8 Vouchers in accordance with the provisions set forth in 24CFR Part 983; the Housing Opportunity Through Modernization Act of 2016 (HOTMA), PIH Notice 2017-21 and any subsequent guidance notice issued by the U. S. Department of Housing and Urban Development; and the plan set forth herein.

This Chapter outlines CHA's policies regarding the Project Based Voucher Program. Except as otherwise noted in this chapter, or unless specifically prohibited by PBV program regulations, the PHA policies for the tenant-based voucher program contained in this administrative plan also apply to the PBV program and its participants.

24.2 Project Based Vouchers Program Cap

Columbia Housing will project base up to the maximum number of vouchers permissible under the applicable regulations. The cap amounts listed below are based on the baseline total vouchers allocated by HUD under the Annual Contributions Contract (ACC) for the calendar year in which a PBV commitment is provided to a property.

- 20% of the total baseline units;
- 10% of baseline units for additional units that fall into an eligible exception category.
- Unlimited percent for units not subject to the Program Cap.

If the number of vouchers under ACC is subsequently reduced or the budget authority is not adequate to support the number of baseline vouchers, CHA will not reduce the number of PBV units committed or under contract. However, additional PBV assistance will not be provided until such time that the annual budget authority is increased.

Notification to Project Base - CHA will notify HUD of its intent to Project Base Vouchers a minimum of fourteen (14) days prior to undertaking any of the following:

- Issuing a Request for Proposals for Project Based Vouchers;
- Selection of a project to receive PBV's under a previous competitive process;
- Selection of an eligible project which does not require a competitive process.

Notification will be submitted via e-mail to pbvsubmissions@hud.gov with a copy to the Columbia Field Office.

Exception Units – CHA may project base up to 10% of its total baseline under eligible exception categories. The following housing qualifies as eligible exception units.

- **Homeless** – The units are specifically made available to house individuals and families who meet the definition of homeless under Section 103 of the McKinney-Vento Homeless Assistance Act and contained in the Continuum of Care Interim Rule.
- **Veterans** – The units are specifically made available to house families that are comprised of or include a veteran. VASH voucher which are project based are already excluded and are not included in this additional 10%.
- **Supportive Services** – The units provide supportive housing to persons with disabilities or to elderly persons. Supportive services means a project that makes supportive services available for all assisted families in the project and provides a range of services tailored to the needs of the residents occupying the project.
- **Poverty Rate of 20% or Less** – The units are located in a census tract with a poverty rate of 20% or less as determined by the most recent American Community Survey 5-Year Estimates.

Exempt Units – Certain units are totally exempt from the program cap and will not be counted in the 20% baseline cap or the 10% exception cap. These units are also exempt from the project cap (discussed below).

- **Federal Rent Restrictions** – Units previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy previously provided by HUD under one of the following forms of HUD assistance program or was subject to rent restrictions under one of the following HUD loan or insurance programs:
 - ✓ Public Housing Capital or Operating funds (Section 9 funding)
 - ✓ Project Based Rental Assistance (Section 8 funding) including Mod Rehab and SRO Mod Rehab.
 - ✓ Housing for the Elderly under Section 202 (rental assistance or rent restrictions)
 - ✓ Housing for Persons with Disabilities under Section 811 (rental assistance or rent restrictions)
 - ✓ Rent Supplement under Section 101
 - ✓ Rental Assistance Program (RAP) under Section 236(f)(2)
 - ✓ Flexible Subsidy Program under Section 201 (rental assistance or rent restrictions)
 - ✓ Section 236
 - ✓ Section 221(d)(3) or (d)(4) BMIR
- **Additional Applicable Conditions for Exemption** – In addition to the HUD assistance above, exempt units must meet the following applicable conditions:
 - ✓ PBV Existing or Rehab Units that will be placed under PBV must be covered under a PBV HAP contract that was effective on or after April 18, 2017 and in the five years prior to the date CHA either issued the RFP under which the project was selected or CHA selected the project based on a prior competition, the unit met at least one form of assistance and was subject to a rent restriction.

- ✓ New Construction units are replacing units that received one of the forms of HUD assistance no more than five years from the date CHA issued the RFP under which the PBV new construction project was selected or selected the PBV new construction project and issued the notice of selection within five years. The new construction project must be located on the same site as the unit it is or has replaced and is evidenced by former residents were or are provided with a preference for right of first occupancy at the PBV new construction project or prior to demolition the project was identified specifically as replacement housing.
- **Other Exempt Units** – Project Based Voucher units under the Rental Assistance Demonstration (RAD) Program and the Veterans Affairs Supportive Housing (VASH) Program are exempt from the program cap regardless of the effective date of the HAP contract.

24.3 Project Based Vouchers Project Cap (Income-Mixing)

Project Based Voucher projects will be subject to the required project cap which limits the number of PBV's in a project to the greater of 25 units or 25% of the total units in the project. Projects in a census tract with a poverty rate of 20% or less are subject to a cap of 40% of total units in the project. Projects with 25 or fewer units, may have all units under the PBV HAP contract.

A project is defined as a single building, multiple contiguous buildings or multiple buildings on contiguous parcels of land.

Exceptions to Project Cap - Exception to the project cap include the following properties.

- Projects in which all units exclusively serve elderly families.
- Projects with units housing families eligible for supportive services available to all households in the project.

CHA may designate 100% of the units in a project with occupancy by an exception category listed above.

Elderly Family – An elderly family is defined as a family whose head, co-head, spouse or sole member is at least 62 years of age. It may include two or more person who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

Supportive Services - In order for the supportive service exception to apply, the project must make supportive service available to all assisted families in the project and the family must be eligible for one or more of the services. The family may, but is not required to participate in the services. The supportive services do not need to be provided by the owner or on-site but the services must be reasonably available to the families receiving PBV assistance in the project and designed to help the families in the project achieve self-sufficiency.

To be eligible for this service exception, CHA will evaluate the type and extent of services to be provided based on the targeted population currently living or expected to live in the project. It is expected that a project must provide, at minimum and to the excepted units, one or more for the following services:

- ✓ Child care/ Early Childhood Education
- ✓ Transportation or Transportation Assistance
- ✓ Education/ESL Services
- ✓ Technology Access/Skill Development;
- ✓ Job Training, Vocational Skills Training and/or Employment Counseling/;
- ✓ Substance/Alcohol Abuse Treatment or Counseling;
- ✓ Health Care Support and Management;
- ✓ Household Skill Trainings (housekeeping & homemaking);
- ✓ Homeownership Counseling;
- ✓ Financial Empowerment/Family Budgeting;
- ✓ Peer Support Groups;
- ✓ Parenting Skills/Parent Support;
- ✓ Housing Stability Assistance/Support;
- ✓ Community Building Events and Activities;
- ✓ Nutrition Education and/or Support;
- ✓ Legal Resource/Referral Services;
- ✓ Resident Leadership Activities/Volunteerism;
- ✓ Health and Wellness Activities;
- ✓ Afterschool/summer youth activities;
- ✓ Violence Prevention Activities;
- ✓ Service Connection/Case Management

CHA will require that the owner monitor its supportive services requirement and submit a report, with their request for a rent increase, contract amendment or contract renewal, on the services provided and accessed, the frequency of access, and the effect of the access.

24.4 CHA Owned Units

To support the repositioning of the CHA portfolio, preference for Project Based Vouchers will be provided to units in properties owned directly or indirectly by CHA or in which CHA has a controlling interest.

CHA Ownership - A CHA owned unit is defined as a unit in a project that is:

- Owned directly by CHA or indirectly through an entity wholly controlled by CHA;
- Owned by a limited liability company (LLC) or limited partnership (LP) in which CHA, or an entity wholly controlled by CHA, holds a controlling interest in the managing member or general partner.

Controlling interest means:

- Holding more than 50 percent of the stock of any corporation; or
- Having the power to appoint more than 50 percent of the members of the board of directors of a non-stock corporation (such as a non-profit corporation); or
- Where more than 50 percent of the members of the board of directors of any corporation also serve as directors, officers, or employees of CHA; or
- Holding more than 50 percent of all managing member interests in an LLC; or
- Holding more than 50 percent of all general partner interests in a partnership; or
- Having equivalent levels of control in other ownership structures.

Most ownership structures are covered in the categories listed above. The last category is meant to cover any ownership structure not already listed in the categories above. Also, under this category, a PHA must have more than 50 percent control in that ownership structure (an equivalent level of control) for the project to be considered PHA-owned.

CHA Interests - CHA may also hold some interest in a property that would not be considered CHA owned. Examples may include the following:

- CHA holds a fee interest as ground lessor of a property on which a project is situated, but has not ownership interest in the improvements.
- CHA holds only a security interest under a mortgage or deed of trust on the projects; or,
- CHA has only a non-controlling interest in an entity that owns a project or in the managing member or general partner of an entity that owned a project.

Non-Competitive Process – CHA will commit and award Project Based Vouchers to projects owned by CHA without a competitive process for initiatives to improve, develop or replace a Public Housing community or redevelop a former Public Housing site provided the following conditions are met.

- The Public Housing property or site is currently in the CHA inventory or may have been removed from the Public Housing inventory through any available legal removal tool within 5 years of the date on which CHA enters into the AHAP or HAP pursuant to the non-competitive process.
- The rehabilitation or construction for the replacement units must meet a minimum threshold of \$25,000 in hard costs.

If CHA replaces Public Housing by attaching PBV assistance to existing Public Housing communities removed under a Section 18 action, then the \$25,000 in hard costs does not apply provided the units substantially comply with the Housing Quality Standards.

“Substantially complies” with HQS will be defined as the costs of repairs to meet HQS standards does not exceed \$5,000 per unit.

Public Housing Projects Converting to PBV – CHA intends to convert its entire Public Housing portfolio to Project Based Vouchers without following a competitive process. CHA will retain an ownership interest in all Public Housing Projects to be converted through an affiliate or instrumentality or through a limited liability company or limited partnership. Under these initiatives, CHA’s ownership interest does not have to meet the definition of “owned by CHA” as described above.

CHA currently has two former Public Housing Communities in development where we will utilize Project Based Vouchers without a competitive process;

UNDER DEVELOPMENT	
Former Public Housing Community	Estimated PBV Units
Gonzales Gardens	295
Allen-Benedict Court	250
TOTAL PBV	545

The chart below provides the estimated number of units and types of conversion anticipated for Public Housing communities remaining in inventory where we intend to utilize Project Based Vouchers without a competitive process. This repositioning strategy will result in 1,280 Project Based Vouchers plus 539 RAD Project Based Vouchers.

RAD 25% NON-RAD PBV		SECTION 18 DEMO/DISPO		SECTION 18 SINGLE FAMILY HOMES		VOLUNTARY CONVERSION	
PROPERTY	UNITS	PROPERTY	UNIT S	PROPERTY	UNITS	PROPERTY	UNITS
Hammond Village	78	Marion Street	146	Single Family Houses	334	Dorrah Randall	56
Arrington Manor	58	Latimer Manor	200			Lewis	67
Scattered Sites	403	Reserves	131			Rivers Edge	60
		Oak Read	111			Rosewood	40
RAD Units	539						
NEW PBV (25%)	135	588		334		223	

Subject to Change – The anticipated Project Based Vouchers listed above are subject to change as CH continues to analyze the Public Housing portfolio. Changes in Public Housing portfolio repositioning strategies for each property will not be considered a significant change to this policy.

Ownership Structure – CHA will serve as the Contract Administrator for all Project Based Voucher awarded to a CHA owned project. Because the HAP Contract Administrator and the owner cannot be the same legal entity, CHA will create a separate legal sole asset entity to serve as the owner of each project. Such entity will be one of the following:

- A South Carolina non-profit affiliate or instrumentality of CHA which may or may not have a 501 tax exempt status;
- A South Carolina limited liability company;
- A South Carolina limited partnership;
- A corporation;
- Any other legal entity recognized by the laws of the State of South Carolina

Limitation to Perform Certain Administrative Functions – As Contract Administrator for Project Based Vouchers in properties owned by CHA (as defined above), certain administrative functions cannot be performed by CHA and must be performed by an independent third-party entity. The independent entity must be autonomous and not connected legally, financially or in any other manner to CHA that could cause either party to be improperly influenced by the other. The independent entity must have the ability to perform its responsibilities in an unbiased manner.

The tasks below summarize the functions that will be performed by an independent entity.

TASK	THIRD PARTY ENTITY(S)
RENTAL UNITS OWNED BY CHA	
Review PHA PBV Selection Process when competitive process is required; Establish initial and renewal term of HAP contracts.	Another PHA or Legal Firm Specializing in Affordable Housing.
Establish PBV Contract Rents; Determine Rent Reasonableness; notify PHA of Rent Reasonableness Determination; provide copy of rent reasonableness determination to CHA and HUD.	Private Vendor through a formal Market Study or Rent Comparability Study.
Conduct all required inspections under the PBV program requirements; provide copies of inspection results to family and CHA.	Private vendor experienced in conducting HQS inspections.
FOR SALE UNITS OWNED BY CHA	
Determine reasonableness of sales price and any PHA provided financing; Review Contract of Sale; Review inspection report of third-party inspector designated by the family.	Licensed Residential Real Estate Broker and/or Homebuyer Counseling Agency.

HUD Independent Entity Approval – CHA will submit to the HUD Columbia Field Office a joint PHA and Independent Entity certification before the function to be performed by the entity is performed. The certification will certify that CHA and the proposed entity have no legal, financial or any other connection that could cause either party to be improperly influenced by the other and the independent entity will perform its responsibilities as it relates to the PHA-owned units in an unbiased manner.

The certification will be signed by an authorized signatory of CHA and the independent entity and include the name, address and point of contact for both CHA and the entity.

A separate certification will be submitted for each independent entity to be used for administrative tasks associated with CHA owned units. Once approved, CHA will use the entity for any additional project basing in CHA owned units. However, if the entity is going to perform a new function not previously identified in the certification, a new certification will be submitted inclusive of the new function.

24.5 PBV HAP Contract Initial Term and Extensions

Initial Term - The initial term of all Project Based Voucher Housing Assistance Payments Contracts will be twenty (20) years. Each Request for Proposals for Project Based Vouchers issued by CHA will stipulate the term of the HAP contract that will be applicable to the projects selected under the RFP.

Contract Extensions – PBV HAP contracts may be extended at the sole discretion of CHA for the additional 20 years. CHA may also provide an extension agreement simultaneously with a new PBV contract provided both the initial term and the extension term does not exceed a total of 40 years.

Any extension beyond a total period of 40 years must be requested by the owner no earlier than 24 months prior to the expiration of the extended term of the contract. CHA will determine if whether such additional extension is appropriate to continue providing affordable housing for low income families or to expand housing opportunities.

Term of HAP Contract for CHA Owned Units – The term of the Housing Assistance Payments (HAP) Contract for CHA owned units will be twenty (20) years and a renewal term of up to an additional twenty (20) years will be executed simultaneously with the initial HAP contract provided the independent entity has agreed to such terms and extension.

24.6 Adding New Units to an Existing PBV HAP Contract

CHA may amend an existing PBV HAP contract at any time during the initial term of the HAP contract or during any subsequent extension term, to add additional units without being subject to competitive selection procedures. The addition of units to an existing PBV contract will be subject to the following requirements.

- **Program Cap** – Additional units added to an existing contract will be counted in the program cap unless such units meet the definition of exempt units under the program cap.
- **Project Cap** – Additional units added to an existing contract will be counted in the project cap unless such units meet the criteria for exception units under the project cap.
- **Rent Reasonableness** – Additional units added to an existing contract will be at the same rent amount as the existing PBV units under the contract. If the additional units are a bedroom size that is not included in the existing contract, a new rent reasonableness test will be conducted to determine the applicable rent.
- **RAD PBV Units** – A RAD PBV HAP contract cannot be amended to add additional RAD units.

24.7 Relocation Requirements

Individuals displaced as a result of the Project Based Voucher Program must be provided relocation assistance in accordance with all provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). The definition of initiation of negotiations as described under the URA will for the purposes of the Project Based Voucher Program be defined as the date of the execution of the Agreement to Enter in a Housing Assistance Payments Contract (AHAP) or the Housing Assistance Payments (HAP) Contract between the Owner and the Housing Authority, whichever is executed first.

The cost of required relocation assistance may be paid with funds provided by the owner, local public funds, or funds available from other sources. Relocation costs may not be

paid from voucher housing assistance funds but the Authority may choose to utilize Administrative Fee Reserves for relocation costs for Authority owned units, provided that all uses are consistent with HUD legal and regulatory requirements. Under no circumstances will the Authority pay for relocation costs for a private owner. CHA will monitor all relocation activities and audit relocation files to assure compliance with URA.

24.8 Equal Opportunity Requirements

The PBV Program requires compliance with all equal opportunity requirements under federal laws. The PBV Program will be identified in the CHA Annual Plan and the corresponding certification of civil rights and affirmatively furthering fair housing submitted under the PHA Plan will apply to the PBV Program.

24.9 Owner Proposal Selection

A. Housing Selected under Federal, State or Local Government Programs

CHA will consider proposals for project based vouchers for properties that were selected through a competitive process under another federal, state or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals (i.e. units for which 9% Low Income Housing Tax Credits were allocated under a State Qualified Allocation Plan).

Such projects must have been competitively selected under the federal, state or local government program within three years from the date of the CHA selection of PBV proposals and the original application did not involve consideration that the project would receive PBV assistance.

B. Requests for PBV Proposals

CHA may request proposals for the PBV Program periodically as determined by the Authority. CHA will provide broad public notice of the availability of project based vouchers through public notice on the agency's website. The public notice will specify the availability of project-based vouchers, the procedures through which an owner can request a copy of the RFP, and the proposal submission deadline.

C. Owner Application Requirements

The solicitation document issued by CHA will contain all application and submission requirements as well as the selection criteria. Under no conditions will CHA limit the solicitation to a single site or impose restrictions that explicitly or practically preclude owner submission of proposals.

D. Eligible Housing Units

Eligible housing units for project-based voucher include new construction, rehabilitation and existing housing.

- 1) **Existing Housing** - A housing unit will be considered an existing unit for purposes of the project-based voucher program, if, at the time of selection of the project, the project was constructed or substantially rehabilitated within five years prior to the issuance of the solicitation for PBV's and the units substantially comply with the Federal Housing Quality Standards (HQS). "Substantially complies" will be defined as less than \$1,000 per unit in required for repairs to comply with the HQS requirements.

- 2) **Rehabilitated Housing** - A housing unit will be considered a rehabilitation unit for purposes of the project-based voucher program, if, at the time of selection of the project, the unit does not substantially comply with the Federal Housing Quality Standards (HQS) and is rehabilitated under an Agreement between CHA and the owner for use under the PBV Program. Rehab costs must be a minimum of \$10,000 per unit to be considered for Project Based Vouchers as Rehabilitated Housing.
- 3) **Newly Constructed Housing** – Housing units that do not exist on the proposal selection date and are developed after the date of the selection pursuant to an Agreement between CHA and the owner for use under the PBV Program will be considered new construction units.

E. Ineligible Housing Units

CHA will not provide project-based voucher assistance to any of the types of housing listed below:

- Shared housing, cooperative housing, manufactured home space rental, or homeownership.
- Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution.
- Nursing homes or facilities providing continuous psychiatric, medical or nursing services, board and care, or intermediate care. However, units in an assisted living facility that provides home health care services such as nursing are not ineligible.
- Unit owned or controlled by an educational institution or its affiliate and are designated for occupancy by students of the institution.
- Manufactured homes.
- Cooperative housing.
- Transitional housing.
- High rise elevator projects for families with children.
- Owner occupied units.
- Units occupied by ineligible families.

F. Prohibition of Assistance for Subsidized Units

CHA will not provide project based voucher assistance to any unit that receives a rent or operating subsidy under another federal, state or local program including but not limited to:

- Public housing dwelling units.
- A unit subsidized with any other form of Section 8 assistance.
- A unit subsidized with any government subsidy (government funds pay a portion of the rent).
- A unit with an governmental subsidy that pay all or a part of the operating costs.
- A unit subsidized with Section 236 rental assistance payments. However, PBV assistance may be attached to a unit subsidized with Section 236 interest reduction payments.
- A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949 (Rural Housing Service Program). However, PBV assistance

- may be attached to a unit subsidized with Section 515 interest reduction payments.
- A Section 202 project for non-elderly persons with disabilities.
- A Section 811 project based supportive housing for persons with disabilities.
- Section 202 supportive housing for the elderly.
- A Section 101 rent supplement program.
- A unit subsidized with any form of tenant based assistance.
- A unit with any other form of duplicative federal, state or local assistance.

24.10 Subsidy Layering Requirements

A subsidy layering review will be conducted to prevent excessive public assistance for the housing by combining (layering) project-based voucher assistance with other governmental housing assistance from federal, state or local agencies.

A subsidy layering review will be conducted by HUD or an independent entity approved by HUD to assure that the requested PBV assistance is in accordance with HUD subsidy layering requirements.

Subsidy layering requirements do not apply to existing housing. A further subsidy layering review is not required for new construction or rehabilitation if HUD's designee has conducted a review that included a review of PBV assistance in accordance with the PBV subsidy layering guidelines.

The Owner must submit all information to CHA required by the Columbia Field Office for the Subsidy Layering Package.

CHA will not enter into an AHAP Agreement or a HAP contract until HUD, or a HUD-approved housing credit agency (HCA), has conducted any required subsidy layering review and determined that the PBV assistance is in accordance with HUD subsidy layering requirements. However, in order to satisfy applicable requirements, HCAs must conduct subsidy layering reviews in compliance with the guidelines set forth in the *Federal Register* notice published July 9, 2010.

The HAP contract must contain the owner's certification that the project has not received and will not receive (before or during the term of the HAP contract) any public assistance for acquisition, development, or operation of the housing other than assistance disclosed in the subsidy layering review in accordance with HUD requirements.

24.11 Site Selection Standards

In approving sites for PBV assistance, CHA will assure that the location of the site is consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities consistent with the Annual PHA Plan. The general standard to be used by CHA will be that the poverty rate for the census tract in which the property is located is less than the overall city-wide poverty rate. However, CHA will consider sites with higher poverty rates if they meet one of the following criteria:

- 1) The census tract is a Federally Designated Opportunity Zone or a HUD designated Enterprise Zone, Economic Community, or Renewal Community.
- 2) The census tract has undergone or is undergoing significant revitalization.
- 3) New market rate units have been or are being developed in the census tract.
- 4) There has been an overall decline in the poverty rate in the past five years of at

least 5%.

- 5) There are meaningful opportunities for educational and economic advancement in the census tract.

Sites for all housing types must meet the following additional criteria:

- 1) Site must be adequate in size, exposure and contour to accommodate the number and type of units proposed.
- 2) Adequate utilities and streets must be available to serve the site.
- 3) The location must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high number of low income persons.
- 4) The site must be accessible to social, recreational, educational, commercial and health facilities and services.
- 5) Municipal and other public services must be equivalent to those typically found in neighborhoods consisting largely of unassisted standard housing of similar market rents.
- 6) Be located so that travel times and costs via public transportation or private automobile from the neighborhood to place of employment providing a range of jobs for low income persons is not excessive.

Sites for new construction properties must meet the criteria above and must not be located in an area of minority concentration or a racially mixed area if the project would cause a significant increase in the proportion of minority to non-minority residents in the area.

24.12 Environmental Review

The PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. A responsible entity (RE) is required for performing the federal environmental review under the National Environmental Policy Act of 1969. Columbia Housing works with the City of Columbia as the Responsible Entity to perform all requirements under Part 58.

In the case of existing housing, the responsible entity must determine whether or not PBV assistance is categorically excluded from review under the National Environmental Policy Act and whether or not the assistance is subject to review under the laws and authorities listed in 24 CFR 58.5.

CHA will not enter into an AHAP or a HAP contract with an owner, and the PHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities until the environmental review is completed.

CHA will secure the services of an independent environmental consultant to prepare a Phase I Environmental Study and complete the Federal Part 58 checklist activities and supply a completed environmental review package to the City to facilitate the completion of the Part 58 activities. CHA will require the owner to carry out any mitigating measures required by the responsible entity as a result of the environmental review.

24.13 Property Selection Criteria

The following threshold criteria must be met for an application to be considered for selection for the PBV Program.

- 1) The proposed project is a project that will replace public housing units that will be disposed or demolished pursuant to HUD requirements or converted under a Section 18 or RAD action.
- 2) The proposed project preserves affordable housing that was previously subsidized through another form of HUD assistance and is substantially rehabilitated to assure continued viability for the initial twenty years of the HAP contract as determined by the HUD multi-family Comprehensive Needs Assessment E-tool.

Following are the review criteria with associated point values that will be used by CHA in the evaluation process of proposals received under the PBV program. There is no minimum passing score, nor a specific maximum score.

Projects will be ranked by score and the highest ranked projects will undergo further review by CHA. The selected projects must comply with all requirements set forth in this plan and all application HUD regulations.

Evaluation Criteria	Points
The proposed housing serves a target population in order of priority: (1) Public Housing residents displaced as the result of disposition or demolition; (2). Existing residents of a HUD assisted property that will be displaced due to expiration of assistance; (3) Elderly only residents.	20
The proposal provides new affordable housing through in order of priority: (1) existing housing developed under the low-income housing tax credit program within the past three years; (2) new construction; (3) existing housing that was constructed or rehabilitated within the past five years.	20
The proposal submitted demonstrates a thorough, in- depth, well-planned project meeting all federal requirements and other eligibility criteria.	20
The applicant's qualifications are appropriate for the project under consideration and firm financial commitments are adequately documented.	20
Rental subsidy is necessary for the viability of the project; management of the project is consistent with Section 8 requirements and the degree to which supportive services will be provided to the project.	20
TOTAL MAXIMUM POINTS	100

Prior to selecting the units for project based assistance, CHA will make a determination that the application is responsive and in compliance with all selection criteria and is otherwise in compliance with HUD program regulations and requirements.

24.14 Inspections

Federal Housing Quality Standards – All PBV units must comply with the Federal Housing Quality Standards.

Pre-selection Inspection – CHA will examine the proposed site before the proposal selection date. If the units to be assisted already exist, CHA or the independent entity will inspect all the units before the proposal selection date, and determine whether the units substantially comply with HQS.

To qualify as existing housing, units must substantially comply with HQS on the proposal selection date. However, CHA will not execute the HAP contract until the units fully comply with HQS.

Pre-HAP Contract Inspections – CHA will inspect each contract unit before execution of the HAP contract. CHA will not enter into a HAP contract covering a unit until the unit fully complies with HQS.

Turnover Inspections - Before providing assistance to a new family in a contract unit, CHA will inspect the unit. CHA will provide assistance on behalf of the family if the unit does not comply with HQS provided no fail items are emergency, life-threatening items. The owner will be provided with 30 days to complete all items to assure the unit fully complies with HQS.

Biennial Inspections - At least once every 24 months during the term of the HAP contract, CHA will inspect a random sample consisting of at least 20 percent of the contract units in each building to determine if the contract units and the premises are maintained in accordance with HQS. Turnover inspections are not counted toward meeting this inspection requirement.

If more than 20 percent of the sample of inspected contract units in a building fail the initial inspection, the PHA must reinspect 100 percent of the contract units in the building.

Other Inspections – CHA will inspect contract units whenever needed to determine that the contract units comply with HQS and that the owner is providing maintenance, utilities, and other services in accordance with the HAP contract. CHA will conduct follow-up inspections needed to determine if the owner (or, if applicable, the family) has corrected an HQS violation, and must conduct inspections to determine the basis for exercise of contractual and other remedies for owner or family violation of HQS.

Inspecting CHA Owned Units - In the case of CHA owned units, all inspections will be performed by the approved independent entity. The independent entity must furnish a copy of each inspection report to CHA and to the HUD field office where the project is located. CHA will take all necessary actions in response to inspection reports from the independent agency, including exercise of contractual remedies for violation of the HAP contract by the CHA affiliated owner.

24.15 Rehabilitated and New Construction Units

Commitment – Upon notification of selection of a property, CHA will provide the owner with a commitment letter for Project Based Voucher units contingent on all required program requirements including Environmental Clearance and Subsidy Layering. The commitment letter will identify the number of PBV units by bedroom size, the contract rent, the utility allowance for tenant paid utilities and the gross rent for the unit. The commitment letter will include an expiration date of the commitment if certain requirements are not met within a time period specified by CHA.

Agreement to Enter into a Housing Assistance Payments Contract – CHA will enter into an Agreement to enter into HAP contract (Agreement) with the owner of the property. The Agreement must be in the form required by HUD. CHA will not enter into an Agreement if commencement of construction or rehabilitation has commenced after proposal submission.

Construction begins when excavation or site preparation (including clearing of the land) begins for the housing. Rehabilitation begins with the physical commencement of

rehabilitation activity on the housing.

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

Davis Bacon Requirements - If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing.

Section 3 Requirements - The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations. CHA will work with owners to implement a Section 3 referral process for all construction work to be performed under the PBV Program.

Owner Disclosure - The Agreement and HAP contract include a certification by the owner that the owner and other project principals certifying that they are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs. The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

Completion of Construction - The Agreement provides deadlines for completion of construction and the owner must develop and complete the housing in accordance with these deadlines.

Evidence of Completion - At a minimum, the owner must submit a copy of the final certificate of occupancy from the City of Columbia indicating that the work has been completed in accordance with all plans and specifications pursuant to the building permit approved by the City Building department

24.16 Housing Assistance Payments (HAP) Contract

CHA will enter into a HAP contract with an owner for units that are receiving PBV assistance. The purpose of the HAP contract is to provide housing assistance payments for eligible families. Housing assistance is paid for contract units leased and occupied by eligible families during the HAP contract term.

A single HAP contract will be executed for all units in the project but the HAP contract may be phased based on the construction phasing set forth in the AHAP. The HAP contract of each phase of the contract will be effective on the first day of the month following the receipt of the CO for the corresponding phase. The renewal date of a phased HAP contract will be the date of the first phase of the project.

Termination of HAP Contract by PHA - The HAP contract provides that the term of the CHA's contractual commitment is subject to the availability of sufficient appropriated funding as determined by HUD or by CHA in accordance with HUD instructions. For these purposes, sufficient funding means the availability of appropriations, and of funding under

the ACC from such appropriations, to make full payment of housing assistance payments payable to the owner for any contract year in accordance with the terms of the HAP contract.

In times of insufficient funding, HUD requires that PHAs first take all cost-saving measures prior to failing to make payments under existing PBV HAP contracts. CHA will take all actions to reduce the number of Tenant Based Vouchers prior to the termination of any Project Based Voucher contract.

If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA may terminate the HAP contract by notice to the owner. The termination must be implemented in accordance with HUD instructions.

CHA will also terminate a PBV HAP contract for owner violations of the terms and conditions of the contract in accordance with the provisions set for the in the contract.

Termination by Owner - If in accordance with program requirements the amount of rent to an owner for any contract unit is reduced below the amount of the rent to owner at the beginning of the HAP contract term, the owner may terminate the HAP contract by giving notice to the PHA. In this case, families living in the contract units will be offered tenant-based assistance.

Contract Termination or Expiration Notice Requirements – Not less than one year before the HAP contract terminates, or if the owner refuses to renew the HAP contract, the owner must notify CHA and assisted tenants of the termination. The notice must be provided in the form prescribed by HUD. If the owner does not give timely notice, the owner must permit the tenants in assisted units to remain in their units for the required notice period with no increase in the tenant portion of their rent, and with no eviction as a result of the owner's inability to collect an increased tenant portion of rent.

An owner may renew the terminating contract for a period of time sufficient to give tenants one-year advance notice under such terms as HUD may require.

Upon termination or expiration of the contract, a family living at the property is entitled to receive a tenant-based voucher. Tenant-based assistance would not begin until the owner's required notice period ends. The PHA must provide the family with a voucher and the family must also be given the option by the PHA and owner to remain in their unit with HCV tenant-based assistance as long as the unit complies with inspection and rent reasonableness requirements. The family must pay their total tenant payment (TTP) and any additional amount if the gross rent exceeds the applicable payment standard. The family has the right to remain in the project as long as the units are used for rental housing and are otherwise eligible for HCV assistance. The owner may not terminate the tenancy of a family that exercises its right to remain except for serious or repeated lease violations or other good cause.

Families that receive a tenant-based voucher at the expiration or termination of the PBV HAP contract are not new admissions to the HCV tenant-based program, and are not subject to income eligibility requirements or any other admission requirements. If the

family chooses to remain in their unit with tenant-based assistance, the family may do so regardless of whether the family share would initially exceed 40 percent of the family's adjusted monthly income.

Remedies for HQS Violations – CHA will not make any HAP payment to the owner for a contract unit during any period in which the unit does not comply with HQS. If CHA determines that a contract does not comply with HQS, it will exercise any of its remedies under the HAP contract, for any or all of the contract units. Available remedies include termination of housing assistance payments, abatement or reduction of housing assistance payments, reduction of contract units, and termination of the HAP contract.

Substitution of Contract Units - At CHA's discretion and subject to all PBV requirements, the HAP contract may be amended to substitute a different unit with the same number of bedrooms in the same project for a previously covered contract unit. Before any such substitution can take place, CHA will inspect the proposed unit and determine the reasonable rent for the unit.

Vacancy Payments - The PBV HAP contract will provide for vacancy payments to the owner for a period of vacancy extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month. The amount of the vacancy payment cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant's security deposit).

24.17 Tenant Selection for PBV Units

In-Place Families - An eligible family residing in a proposed PBV contract unit on the date the proposal is selected by CHA is considered an "in-place family." These families are afforded protection from displacement under the PBV Program.

If a unit to be placed under contract (either an existing unit or a unit requiring rehabilitation) is occupied by an eligible family on the date the proposal is selected, the in-place family must be placed on the waiting list. Once the family's continued eligibility is determined the family must be given an absolute selection preference and the PHA must refer these families to the project owner for an appropriately sized PBV unit in the project. Admission of eligible in-place families is not subject to income targeting requirements. This regulatory protection from displacement does not apply to families that are not eligible to participate in the program on the proposal selection date.

Waiting List – CHA will establish a separate project specific waiting lists for PBV properties and will offer to place applicants who are listed on the tenant-based waiting list on the waiting list for PBV assistance.

CHA will provide a right to return preference to any PBV property that was a former developed on a site of a former Public Housing community or is the replacement of Public Housing. Residents with preferences must meet eligibility criteria for the new property unless the owner is precluded from rescreening pursuant to program requirements (RAD).

CHA will include the PBV properties in the on-line electronic application and will forward applicants from those lists to the appropriate property management company for

processing for available assisted units. All tenant selection and lease up procedures will be completed by the property management company in accordance with HUD regulations, CHA policies as set forth in this Administrative Plan, and applicable Tenant Selection/Management Plans approved by governing entities for the corresponding property.

Income Targeting - At least 75 percent of the families admitted to the PHA's tenant-based and project-based voucher programs during the PHA fiscal year from the waiting list must be extremely-low income families. The income targeting requirement applies to the total of admissions to both programs.

Units with Accessibility Features - When selecting families to occupy PBV units that have special accessibility features for persons with disabilities, the PHA must first refer families who require such features to the owner.

Overcrowded, Under-Occupied, and Accessible Units - If CHA determines that a family is occupying a wrong size unit, based on the subsidy standards, or a unit with accessibility features that the family does not require, and the unit is needed by a family that does require the features, CHA will promptly notify the family and the owner of this determination, and will offer the family the opportunity to receive continued housing assistance in another unit.

CHA will offer the family the following types of continued assistance in the following order, based on the availability of assistance:

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

If CHA offers the family a tenant-based voucher, the housing assistance payments for a wrong-sized or accessible unit will be terminated at the earlier of the expiration of the term of the family's voucher (including any extension granted by the PHA) or the date upon which the family vacates the unit. If the family does not move out of the wrong- sized unit or accessible unit by the expiration of the term of the family's voucher, the unit will be removed from the HAP contract.

When CHA offers a family another form of assistance that is not a tenant-based voucher, the family will be given 30 days from the date of the offer to accept the offer and move out of the PBV unit. If the family does not move out within this 30-day time frame, CHA will terminate the housing assistance payments at the expiration of this 30- day period.

Choice Mobility – A Project Based Voucher Tenant may exercise Choice Mobility after one year in the PBV unit. At the anniversary date of the PBV lease, the tenant may request a Tenant Based Voucher from CHA. If Tenant Based Voucher is available, and the tenant is in good standing at the PBV unit, CHA will provide a TBV to the tenant.

If a TBV is not available, the tenant will be placed on the Choice Mobility waiting list and the next available voucher will be made available to the tenant. On an annual basis, 75% of turnover vouchers will be made available to meet the needs of the Choice Mobility wait

list.

The family must provide advance written notice to the owner in accordance with the lease and provide a copy of such notice to CHA. If the family terminates the assisted lease before the end of the first year, the family relinquishes the opportunity for continued tenant-based assistance.

23.18 Other Policies

All other policies stated in the HCV Administrative Plan related to occupancy of HCV tenant-based assisted units will apply to Project Based units as appropriate.