

HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE PLAN



Revision Dates

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SECTION 1

STATEMENT OF POLICIES

1.1. General

The United States Housing Act of 1937 (the “Act”) is responsible for the birth of federal housing program initiatives. The Act was intended to provide financial assistance to states and cities for public works projects, slum clearance and the development of affordable housing for low income residents.

The Housing and Community Development (HCD) Act of 1974 created a new federally assisted housing program known as the Section 8 Certificate program. The HCD Act represented a significant shift in federal housing strategy from locally owned public housing to privately owned rental housing. The 1987 Housing and Community Development Act authorized a new version of the Section 8 Program and changed the name of the Program to The Housing Choice Voucher (HCV) Program. The Act continues to be amended from time to time, and its requirements, as they apply to the HCV Program, are described in and implemented throughout this Administrative Plan.

All references to a number of days throughout this Plan shall be interpreted as business days and not calendar days.

1.2. Public Housing Authority

The HCV Program(s) are federally funded by the U.S. Department of Housing and Urban Development (HUD) and administered for the County of Richland by the Columbia Housing Authority (CHA). The Columbia Housing Authority is not a federal department or agency. A public housing authority is a governmental or public body, created and authorized by the laws of the State of South Carolina to develop and operate housing programs for low income families and individuals.

The Columbia Housing Authority entered into an Annual Contributions Contract with HUD to administer the program requirements on behalf of HUD. 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.

1.3. Jurisdiction

The jurisdiction of The Columbia Housing Authority is the City limits of Columbia, South Carolina. However, under State law, CHA is authorized to administer the Housing Choice Voucher Program throughout Richland County.

1.4. HCV Program Goals

CHA has the following goals for the HCV program:

1. To expand the supply of assisted housing and apply for additional vouchers as they become available.
2. Administer applicable federal and state laws and regulations to achieve high ratings in compliance measurement indicators while maintaining efficiency in program operations to ensure fair and consistent treatment of clients served.

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

1.5. 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.

Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 982: Section 8 Tenant-Based Assistance: HCV Program
- 24 CFR Part 985: Section 8 Management Assessment Program

The applicable regulations cited and corresponding notices and guidance from HUD make a distinction between mandatory and discretionary policies as follows:

- **Mandatory Policies** are those driven by legislation, regulations, current handbooks, notices and legal opinions.
- **Discretionary Policies** are optional, non-binding guidance, including guidebooks, notices that have expired and recommendations from individual HUD staff.

HUD expects PHA's to comply with and enforce mandatory policies and to make clear optional policies adopted by the PHA. This Administrative Plan is the foundation for those optional policies adopted by CHA. HUD directions require CHA to make policy choices in certain areas of program operations that provide guidance and consistency to staff, program applicants, participants and owners.

Administrative Plan Revisions – CHA will revise this plan as needed to comply with any program changes implemented by HUD throughout the year. These changes shall not constitute a significant modification to the Plan and will not require public notice or comment prior to implementation.

CHA will review the Plan annually and update any local policies or changes in program operations. These changes will be considered a significant modification and will require public notice and comment and will only be done in conjunction with the Annual Agency Plan.

1.6. 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 2005 (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)

CHA shall not deny any family or individual the equal opportunity to apply for or receive assistance under the HCV Programs on the basis of 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 requirements and the opportunity to rent in a broad range of neighborhoods.

The Housing Assistance Payments (HAP) contract informs owners of the requirements not to discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with the contract.

The Columbia Housing Authority shall not:

1. Deny any family the opportunity to apply for housing, nor deny any qualified applicant the opportunity to lease housing suitable to its needs;

2. Provide housing which is different from that provided by others;
3. Subject a person to segregation or disparate treatment;
4. Restrict a person's access to any benefit enjoyed by others in connection with the housing program;
5. Treat a person differently in determining eligibility or other requirements for admission;
6. Steer an applicant or participant toward or away from a particular area based on any of these factors.
7. Deny a person access to the same level of services.

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.

1.7. Addressing Barriers to Equal Housing Opportunities

CHA ensures that persons with disabilities have full access to CHA programs and services. No individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because CHA's facilities are inaccessible to or unusable by persons with disabilities.

1.8. Reasonable Accommodations

An individual with a disability may request a reasonable accommodation at any time during the application process or participation process in the HCV Program. CHA will provide written notification of the right to request a reasonable accommodation, on the intake application, re-certification documents and notices of adverse action by CHA, by including the following language:

"If you have any special needs, you may request a reasonable accommodation."

A "reasonable accommodation" is defined as a change, modification, alteration or adaptation in policy, procedures, practice, program or facility that is necessary for a qualified individual with a disability to have the opportunity to participate in, and benefit from, a program or activity.

Reasonable accommodations shall include, but are not limited to, assistance for persons with disabilities in locating appropriate accessible units, referrals to other community agencies that provide such assistance and intervention with property owners to negotiate permission to make reasonable modifications in accordance with all provisions of the law.

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.

Verification of Disability – To be eligible to request a reasonable accommodation, the requester must first certify (if apparent) or verify (if not apparent) that they are a person with a disability under the civil rights definition for persons with disabilities.

Third party verification will be obtained from a licensed professional competent to make the determination. CHA will not inquire about the nature or extent of any disability but will only request information that is necessary to evaluate the disability related need for the accommodation. No medical records will be accepted or retained in the participant file.

After a request for an accommodation is presented, CHA will respond in writing within 20 business days of receipt of all required documentation. If CHA denies a request for an accommodation because it is not reasonable (it would impose an undue hardship and administrative burden or fundamentally alter the nature of CHA's operations), CHA will advise the family if an alternative accommodation could effectively address the family's disability related need without an undue hardship.

Undue Burden – An undue administrative burden is one that requires a fundamental alteration of the essential functions of CHA (i.e., waiving a family obligation). An undue financial burden is one that when considering the available resources of the agency as a whole, the requested accommodation would pose a severe financial hardship on CHA.

1.9. Hearing or Vision Impairments

At the initial point of contact, CHA will inform each applicant of alternative forms of communication that can be used other than plain language paperwork. To meet the needs of persons with hearing impairments, TTD/TTY communication will be made available through the State of South Carolina relay system. To meet the needs of persons with vision impairments, CHA will explain materials orally or ask that the individual make arrangements for a third-party representative of their choice to receive, interpret and explain materials.

1.10. Physical Accessibility

CHA will comply with all regulations related to physical accessibility including the following:

- PIH 2002-01
- Section 504 of the Rehabilitation Act of 1973
- The Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Fair Housing Act of 1988

When issuing a voucher to a family that includes an individual with disabilities, CHA will include a current list of available accessible units known to CHA and will assist the family in locating an available accessible unit if requested to do so.

CHA will advise owners of the requirement to allow the family to make reasonable modifications to units. Applicants and participants will be advised that owners are not required to pay for modifications and their responsibility to return the unit to its original state at the family's expense when the family moves. CHA will refer the family to community agencies that may be able to assist with unit modifications.

1.11. Improving Access for Persons with Limited English Proficiency

CHA will take affirmative steps to communicate with people who need services or information in a language other than English. (LEP persons).

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. Thus, 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. Therefore, CHA will not include any other language in this LEP Plan. 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, family members and friends as interpreters for LEP persons whose primary language is other than Spanish or English.

1.12. Privacy Rights

Applicants and participants, including all adults in their households, are required to sign the HUD 9886 Authorization for Release of Information. This document incorporates the Federal 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.

1.13. 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. Changes under VAWA 2013 include extending protections to survivors of sexual assault; allowing survivors who remain in the unit to establish eligibility or find new housing when a lease is bifurcated; providing survivors with emergency transfers; and additional notification to applicants and tenants of housing rights under VAWA. While these changes substantially extend VAWA's coverage to include most affordable housing programs, they provide no protection to tenants in private market-rate housing but do apply to tenants with vouchers in private market-housing.

CHA will provide all protection under VAWA 2013 as described below to program participants and family members of program participants who are victims of domestic violence, dating violence, sexual assault or stalking from being evicted or terminated from housing assistance based on acts of such violence against them.

Parties whom VAWA protects – VAWA 2013 expands the housing protections to cover survivors of sexual assault and protects anyone who:

- Is a victim of actual or threatened domestic violence, dating violence, sexual assault

or stalking, or an “affiliated individual” of the victim (spouse, parent, brother, sister, or child of that victim; or an individual to whom that victim stands in loco parentis; or an individual, tenant or lawful occupant living in the victim’s household); and,

- Is living in, or seeking admission to, any of the covered housing programs.

VAWA 2013 eliminates the requirement that the household member be related by blood or marriage to the victim. Therefore, VAWA 2013 protects individuals who simply live in the victim’s household, regardless of whether they are related by marriage or blood to the victim.

Definitions – The new law revises the definition of “domestic violence” to include crimes of violence committed by an intimate partner of the victim or by a person who has cohabitated with the victim as an intimate partner. VAWA 2013 further amends the definition of “stalking” by including a more general definition than had been provided by VAWA 2005. VAWA 2013 defines the terms in the following manner:

Domestic violence includes felony or misdemeanor crimes of violence committed by:

- A current or former spouse or intimate partner of the victim;
- A person with whom the victim shares a child;
- A person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner;
- A person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies; or
- Any other person who committed a crime against an adult or youth victim who is protected under the domestic or family violence laws of the jurisdiction.

Dating violence is violence committed by a person:

- Who is or has been in a social relationship of a romantic or intimate nature with the victim; and
- The existence of such a relationship is determined based on the following factors:
 - Length of the relationship
 - Type of relationship
 - Frequency of interaction between the persons involved in the relationship.

Sexual assault means any nonconsensual sexual act proscribed by Federal, tribal, or State law, including when the victim lacks capacity to consent.

Stalking is defined as engaging in a course of conduct directed at a specific person that would cause a reasonable person to:

- Fear for his or her safety or others; or
- Suffer substantial emotional distress.

Denials of Admissions, Termination of Tenancy or Assistance – An applicant or tenant shall not be denied admission to, denied assistance under, terminated from participation in, or evicted from housing on the basis that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking.

An incident of actual or threatened domestic violence, dating violence, sexual assault or

stalking will not be construed as a serious or repeated violation of the lease by the victim and will not be good cause for terminating the assistance or tenancy of the victim.

Criminal Activity Directly Related to the Abuse – No person shall be denied assistance, tenancy or occupancy rights to housing solely on the basis of criminal activity, if that activity is directly related to domestic violence, dating violence, sexual assault or stalking engaged in by a household member, guest or any person under the tenant's control, if the tenant or affiliated individual of the tenant is the victim.¹⁴

Actual and Imminent Threat – CHA may terminate assistance to a victim if CHA can demonstrate an actual and imminent threat to other tenants or employees at the property in the event that the tenant is not evicted or terminated from assistance.

An actual and imminent threat shall include a physical danger that is real, would occur within an immediate timeframe, and could result in death or serious bodily harm. In determining the existence of an "actual or imminent threat," CHA will consider the duration of the risk, the nature and severity of the potential harm, the likelihood that the potential harm will occur, and the length of time before the potential harm would occur.

Termination of a victim's assistance under this provision will occur only when there are no other actions that could be taken to reduce or eliminate the threat, including, but not limited to, permitting a participant to move to another location, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat.

Victims Held to Same Standard – For program violations unrelated to the abuse, CHA, will not subject a participant who is a victim of domestic violence, dating violence, sexual assault or stalking to a more demanding standard than other participants in determining whether to terminate assistance.

Bifurcation – CHA may bifurcate voucher to terminate assistance to any tenant or lawful occupant who engages in criminal acts of violence against an affiliated individual or others. This action may be taken without penalizing the survivor who is also a tenant or lawful participant.

If CHA terminates assistance to a participant because of criminal acts of violence against family members or others, and that individual is the only family member eligible to receive the housing assistance, then any remaining family member will have the opportunity to establish eligibility for the assistance. If no family member can establish such eligibility, then CHA will provide the participant 60 days to find new housing.

Portability – CHA will permit a family with a Housing Choice voucher to move to another jurisdiction if the family has complied with all other obligations of the program and is moving to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence or stalking. CHA will permit the family to move even if the family's lease term has not yet expired.

Court orders – CHA will honor court orders addressing rights of access to or control of

property, including civil protection orders issued to protect the victim, as well as orders addressing the distribution or possession of property among household members in a case.

Certification – CHA will request that an individual certify via the applicable HUD form or other such written documentation as defined in this section. This certification will: (1) state that an applicant or tenant is a victim of domestic violence, dating violence, sexual assault or stalking; (2) state that the incident that is the ground for protection meets the requirements under the statute; and (3) include the name of perpetrator, if the name is known and safe to provide. In lieu of the certification form, the applicant or participant may provide:

- Documentation signed by the victim and a victim service provider, an attorney, a medical professional, or a mental health professional in which the professional attests under penalty of perjury to his or her belief that the victim has experienced an incident of domestic violence, dating violence, sexual assault or stalking that meets the grounds for protection under the statute; or
- A federal, state, tribal, territorial, or local law enforcement, court or administrative record.

Timeline – After CHA has requested certification in writing, an applicant or participant shall have 30 days to respond to the request. If an individual does not provide the documentation within the 30 days, CHA may deny admission or terminate assistance.

Conflicting Certification – In situations where CHA receives documentation with conflicting information, CHA will require an applicant or participant to submit any of the above-mentioned third-party documentation.

Confidentiality – CHA will keep confidential the information an individual provides to certify victim status, including the individual's status as a victim. This information will be entered into a shared database or disclosed to another entity or individual, unless the disclosure is: requested or consented to by the individual in writing; required for use in a termination proceeding to determine whether the incident qualifies as a serious or repeated violation of the lease, good cause to terminate assistance or tenancy, or criminal activity directly relating to domestic violence, dating violence, sexual assault or stalking; or otherwise required by law.

No CHA employee shall access the information regarding domestic violence unless they are specifically and explicitly authorized to access this information because it is necessary for their work.

Notification and Language Access – CHA will provide the applicable HUD notice accompanied by the certification form to applicants and participants: (1) at the time an applicant is denied admission; (2) at the time the individual is admitted; and (3) with any notification of termination of assistance. In addition, the HUD notice must be available in multiple languages and be consistent with HUD guidance concerning language access for individuals with limited- English proficiency.

PHA Plan – CHA will include in its annual plan a description of any activities, services, or

programs being undertaken to assist victims of domestic violence, dating violence, sexual assault or stalking. In addition, CHA will include in its five-year plan a description of any goals, objectives, policies, or programs it uses to serve victims' housing needs.

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 evaluate the eligibility of families who apply for housing assistance. CHA staff will review all information provided by the family carefully and without regard to factors other than those defined in this Chapter. 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"
- An applicant' 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.
- 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.

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. However, eligibility factors will not be verified before the family is placed on the waiting list. Placement on the waiting list will be based solely on the household's certification.

Reasons for denial of placement on the waiting 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:

1. One or more persons sharing residency, whose income and resources are available to meet the family's needs who may not be related by blood, marriage or operation of law, but who will give evidence of a stable relationship which has existed a minimum of one year.

2. Evidence of a stable family relationship may include, but is not limited to, any of the following: birth certificates of the children, joint tax return, prior lease (held jointly or one adult listed as “head” but other adult was included on the lease), joint bank accounts, insurance policies, prior joint credit history, or similar documentation. Evidence used to verify stable relationship would be documented in the family file.
3. A single person family may be: an elderly person; a displaced person; a disabled person; or any other single person.
4. A remaining household member who is a member of an assisted household whose original head/spouse is no longer living in the rental unit. Such remaining household members must have been listed on the most recent HUD 50058 and lease, must be of legal age and must be able to carry out the terms of the lease and family obligations. A live-in aid is not a remaining family member. (A household member for whom a subsidy was not paid because the household member did not have eligible citizenship status will not be considered a remaining household member).

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 into 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 Attendants

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 Non-Citizen Rule 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. Within 10 business days from receipt of all verification information, CHA will notify the household of its decision to approve/disapprove the live-in aide.

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 child is a child that is in the legal guardianship or custody of a state, county, or private adoption of a foster care agency, yet is cared for by foster parents in their own homes under some kind of short-term or long-term arrangement with the custodial agency.

A foster child or foster adult may be allowed to reside in the unit if their presence would not result in violation of HQS space standards. The family will not be provided with a larger voucher size due to the presence of foster children or foster adults.

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

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 an 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 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.

2.12. Split Households Prior to Voucher Issuance

When a family on the waiting list splits into two otherwise eligible families due to divorce or legal separation, and the new families both claim the same placement on the waiting list, and there is no court determination, CHA will determine the family unit that retains the children as the applicant family. If there are no children, CHA will require the applicants to jointly agree to the continued applicant or solicit a court decision.

Documentation of these factors is the responsibility of the applicant families. If either or both of the families do not provide appropriate documentation, they will be denied continued placement on the waiting list for failure to supply information requested by CHA.

2.13. Multi-generational Families

Families applying for assistance, which consists of two or more generations living together, (such as a mother, and a daughter with her own children), will be treated as a single family unit and will be entitled to only one housing voucher for assistance.

2.14. 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.

2.15. Income Limitations

The following income restriction provisions apply to applicants for admission to the Housing Choice Voucher Programs:

- An applicant must be a very low-income family, which is defined as a family whose annual income does not exceed 50% of the area median income.
- Applicants in excess of the very low-income limits but within the low-income limits (80% of the area median income) will only be admitted based on the following criteria:
- A low-income family that is continuously assisted under the 1937 Housing Act. An applicant is continuously assisted if the family has received assistance under any 1937 Housing Act program within 120 days of voucher issuance.
- A low-income family displaced by rental rehabilitation activity under 24CFR part 511.
- A low-income non-purchasing family residing in a project subject to homeownership program under 24CFR 248.173.
- A low-income or moderate-income family that is displaced as a result of a prepayment of a mortgage or voluntary termination of mortgage insurance contracts under 24 CFR 248.165.
- A low-income family that qualifies for voucher assistance as a non-purchasing family residing in a project subject to a resident home ownership program.
- To determine if the family is income-eligible, CHA will compare the Annual Income of the family to the applicable income limit for the family's size.
- Families whose Annual Income exceeds the income limit will be denied admission and offered an informal review.

- Families using portability must be within CHA's applicable income limits at the time of initial lease up in CHA's jurisdiction.
- 75% of all newly admitted applicants must fall within 30% of the area median income.

2.16. Mandatory Social Security Numbers

Families are required to provide verification of Social Security Numbers for all family members age 6 and older prior to admission, if the Social Security Administration has issued them a number. This requirement also applies to persons joining the family after admission to the program. Failure to furnish verification of social security numbers is grounds for denial or termination of assistance.

Persons who have not been issued a Social Security Number must sign a certification that they have never been issued a Social Security Number. Persons who disclose their Social Security Number but cannot provide verification must sign a certification and provide verification within 60 days. Elderly persons must provide verification within 120 days.

2.17. Citizenship/Eligible Immigration Status

In order 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.

2.18. 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 the 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

2.19. 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 within 30 working days of CHA notice to repay.
- 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.

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 and continued participation in ongoing rehabilitation.

The applicant may not misrepresent the information on which eligibility or tenant rent is established. In addition to denial of admission, CHA will refer the family file/record to the proper authorities for appropriate disposition.

2.20. Screening for Suitability as a Tenant

CHA will not screen the applicant household for family behavior or suitability of tenancy. At or before CHA's approval of the tenancy, CHA will inform the owner that screening and selection for tenancy is the responsibility of the owner.

CHA will encourage owners to screen families based on their tenancy histories, including such factors as:

- Payment of rent and utility bills;
- Caring for a unit and premises;
- Respecting the rights of other residents to the peaceful enjoyment of their housing;

- Drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others; and
- Compliance with other essential conditions of tenancy.

CHA will advise and assist families if they feel that the screening criterion applied by an owner violates any basic Fair Housing Rights of the family. CHA will make referrals to the local Fair Housing Agency and/or the appropriate HUD office.

2.21. 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.

2.22. 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

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 describes the policies and procedures for completing an initial application for assistance, placement and denial of placement on the waiting list, and limitations on who may apply. The primary purpose of the intake function is to gather information about the family, but CHA will also utilize this process to provide information to the family so that an accurate and timely decision of eligibility can be made. Applicants will be pulled from the waiting list in accordance with this Plan.

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. The notice will provide information on where and when families may apply for the program. CHA may open the waiting list only for special programs in which case, the notice shall so state and identify the eligibility provisions of the designated special program.

CHA may open the waiting list for a specific time period, may choose to accept applications on certain days and times, may choose to accept applications only electronically or via U.S. Mail. The public notice will specify the time period and the methodology in which applications will be accepted and identify the closure date for acceptance of applications. Under no circumstances will applications be accepted when the waiting list is closed.

3.3. Family Outreach

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

3.4. Local Preference(s)

CHA will use local preferences as detailed below.

CHA will accept applications from local preference applicants even when the waiting list may otherwise be closed. Applicants with local preferences will not be required to complete the on-line registration but will be placed directly on the waiting list. The following local preferences will be applied in order as listed.

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. Application Process

CHA will only accept electronic applications via the on-line web-app. CHA will partner with the Richland County Library system and other Community Service partners to assure that all individuals interested in applying for housing assistance have computer access to file electronic applications. CHA will provide assistance for individuals with special needs at its Resident Service computer centers.

The application process will consist of a two-step process: the on-line web-based application and the full application. The on-line 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 in the electronic application form. 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 via the on-line application system. Applicants will be ranked in order on the waiting list from lowest to highest lottery number.

3.6. Reporting Changes While on Waiting List

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

3.7. Purging 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 electronically or via U.S. mail. 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.

The family’s response must be in writing and must comply with the timeframes and other requirements set forth in the update request. If the family fails to respond within the timeframe allotted, the applicant will be removed from the waiting list and will not be reinstated. If the update request is returned as undeliverable, the applicant will also be removed from the waiting list and will not be reinstated.

If an applicant is removed from the waiting list for failure to respond or an undeliverable update request and they contact CHA within thirty days (30 days from the date of withdrawal), the family will automatically be reinstated to their original place on the wait list. After the thirty-day automatic reinstatement timeframe the applicant will have to demonstrate that it was due to CHA's error, or was unable to respond due to a family member's disability, the applicant will be reinstated and resume their original place on the waiting list.

3.8. Selection from the Waiting List

Families will be selected from the waiting list in order based on the preference points and lottery numbers assigned to each application at the time the applications were placed on the waiting list. All applications in the primary pool will be selected prior to any application in the secondary pool.

Completion of final eligibility will be conducted via mail and/or subsequent on-line electronic systems. CHA will mail notification to selected applicants at the address on file of the requirements to complete the final eligibility process. Instructions for completion of the formal application will be provided in the notice including a date by which the formal application must be completed and returned.

If the family does not complete the eligibility packet by the stated deadline, the applicant will be removed from the waiting list and will not be reinstated except for reasons described in 3.7 above. Reasonable accommodations will be made for persons with a disability.

3.9. 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. Verifications may not be more than 120 days old at the time of issuance of the Voucher.

All adult members must sign the HUD Form 9886, 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 9886. Failure to sign any consent forms will be cause for denial of the application for failure to provide necessary certifications and release as required by CHA.

If CHA determines that additional information or document(s) are needed, 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 period, CHA will provide the family a notification of denial for assistance.

3.10. Completing the Application Process

After the verification process is completed, CHA will make a final determination of eligibility. This decision is based upon information provided by the family, the verification completed by CHA, and the current eligibility criteria in effect. 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.

3.11. Special Admissions

Certain vouchers may be received or were received from HUD as the result of a special funding for targeted groups of households. CHA will admit these families under a Special Admission procedure. Special admissions families will be admitted outside of the regular waiting list process and they are not required to be on the program waiting list. CHA will maintain separate records of these admissions.

The following are examples of types of program funding that are designated as special admissions:

- Vouchers received for demolition or disposition of a public housing project.
- Vouchers received for multifamily rental housing projects when HUD sells, forecloses or demolishes the project.
- Vouchers received for “opt-out” of FHA insured multi-family projects.
- Moderate Rehabilitation Project-based Section 8 HAP contracts at or near the end of the HAP contract term that convert to tenant-based vouchers.

3.12. Targeted Funding

Special programs have been developed under the Housing Choice Voucher Program to service certain family types or certain family situations. Most of these programs require that CHA partner with a service agency in the community that provides supportive service to the particular family type and include the following:

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

When HUD grants funding under these programs, families who meet the qualifications of the program and are referred through the partner agency will be placed on a separate waiting list for each special program type based on date of referral from the partner agency. These families will then be selected in order of date from the waiting list when their special program voucher is available.

CHA will continue to receive referrals from partner agencies until all designated vouchers have been utilized. Upon 100% utilization, CHA will request that the partner agencies suspend additional referrals until such time that any of the original designated vouchers are turned over and again become available for issuance to applicants. At that time, CHA will contact the appropriate partner agency and advise them of the availability of the targeted voucher and a referral will be accepted accordingly.

The provisions for targeted funding identified herein apply to any future programs to be so designated by HUD.

3.13. 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 shall be applied in a manner consistent with Fair Housing guidelines. The standards in this section relate to the number of bedrooms on 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:

- Persons of the opposite sex (other than head/co-head, life-partners and children under the age of 5) will be allocated separate bedrooms.
- 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.
- Elderly (age 62 or older) and disabled single persons will be allocated a one bedroom.
- All other single persons will be allocated a zero 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 shall consider requests for exceptions from the subsidy standards for any of the reasons specified in the regulations: age, sex, health, handicap, relationship or other personal circumstances.

The family must request the exception in writing within 15 days from the date the voucher was issued and must provide sufficient justification for a larger unit size which includes supporting documentation. Requests based on health or disability of family members, or other individual circumstances must be verified by a knowledgeable professional source such as a doctor or medical professional, unless the request for an accommodation is readily apparent. The family must also provide written documentation justifying an additional bedroom at the time of each subsequent annual re-certification.

CHA will notify the family within 15 business days of receiving the family's information of its decision to grant the exception to the subsidy standards. If the request is denied, the notice will inform the family of its right to request a review of the decision.

4.4. Changes in Subsidy Standard

Applicants – Voucher size is determined 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 shall be issued a new voucher for the time remaining under the initial issuance period.

Participants – All members of the family residing in the unit must be approved by CHA. The family must obtain approval of any additional family member before the new member occupies the unit except for additions by birth, adoption, or court-awarded custody, in which case the family must inform the PHA within thirty (30) days from the date of the action.

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.

If a unit does not meet HQS space standards due to an increase in family size, (unit too small), the PHA will issue a new voucher of the appropriate size at the anniversary date of the current lease agreement and assist the family in locating a suitable unit.

4.5. Unit Size Selected

The family may select a different size dwelling unit than that listed on the Voucher but the following criteria shall 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 shall 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.

Affordability Limitation – If a family enters into a new lease agreement which requires the Housing Authority to execute a new Housing Assistance Payments (HAP) contract for a dwelling unit in excess of the payment standard as determined above, the total tenant payment cannot exceed 40% of the household's monthly adjusted income. CHA will not approve a lease for a unit that is not affordable pursuant to this 40% limitation.

Utility Allowance: The utility allowance used to calculate the gross rent shall 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.

Housing Quality Standards: The standards allow two persons per living/sleeping room and permit maximum occupancy levels (assuming a living room is used as a living/sleeping area) as shown in the table below. The levels may be exceeded if a room in addition to bedrooms and living room is used for sleeping.

Housing Quality Standards Maximum Occupancy in Units Selected	
Unit Size	Maximum Occupants
0	2
1	4
2	6
3	8
4	10
5	12
6	14

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. The accurate calculation of Annual Income and Adjusted Income will ensure that families are not paying more or less money for rent than their obligation under the regulations.

This Chapter defines the allowable expenses and deductions to be subtracted from Annual Income and how the presence or absence of household members may affect the Total Tenant Payment (TTP). The formula for the calculation of TTP is specific and not subject to interpretation. CHA's policies in this Chapter address those areas, which allow CHA discretion to define terms and to develop standards in order to assure consistent application of the various factors that relate to the determination of TTP.

5.2. Income and Allowances

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

Income – Income includes monetary and non-monetary amounts received by members of the households on a regular basis. For purposes of calculating the Total Tenant Payment, HUD defines what is to be calculated and what is to be excluded in the federal regulations. In accordance with this definition, all income, which is not specifically excluded in the regulations, is counted.

Income from Assets – Income from assets of less than \$5,000 will be limited to the amount stated on the self-declaration signed by the head of the household on the formal eligibility application or the annual recertification application. Income from assets of \$5,000 or more as declared by the family will be included as annual gross income based on the greater of the actual or the imputed income. Imputed income shall be based on the CHA established rate.

CHA will establish a passbook rate within HUD Safe Harbor standards (75 basis points; plus or minus .75 percent) of the Savings National Rate in effect at the time the rate is established. The passbook rate will never be zero and CHA will review the rate at least annually and adjust as needed to remain within the HUD Safe Harbor.

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 whether or not applicants are within the applicable income limits.

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.
- **Elderly/Disabled Allowance:** \$400 per family for families whose head or spouse is 62 or over or disabled.
- **Allowable Medical Expenses:** Deducted for all family members of an eligible elderly/disabled family.
- **Child Care 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 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 shall 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 Child Care and Disability Assistance Expense Deductions – The amount deducted for child care and disability assistance expenses necessary to permit employment shall 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 shall not be used in determining the cap for child care 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; death in the family; and, other circumstances as determined by the PHA or HUD.

CHA will notify all families subject to minimum rents of their right to request a minimum rent hardship exception. This notification will be included in the briefing packet for initial admissions to the program and the HAP Contract Amendment issued at each recertification of income. “Subject to minimum rent” means the minimum rent was the greatest figure in the calculation of the greatest of 30% of monthly-adjusted income, 10% of monthly income or minimum rent.

Requests for minimum rent exception must be made in writing within 10 days from the date of notification of the initial Housing Assistance Payment (HAP) payment or HAP adjustment and must include documentation as proof of financial hardship. CHA will use its standard verification procedures to verify circumstances, which have resulted in financial hardship.

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 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 shall apply from the first day of the month following the family’s submission of all required documentation.

The hardship exemption shall 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. In order 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 of time estimated that the family will be absent but not more than six months 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. Visitors

A visitor 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 visitor 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 visitor will return.

5.7. 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, or Caregiver's Affidavit is completed and notarized.
- 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 if justification for the addition is provided, the addition does not require a change in voucher size for the assisted household and the unit is not over-crowded pursuant to HQS.

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.

5.8. Averaging Income

When Annual Income cannot be anticipated for a full twelve months, CHA will average known sources of income that vary to compute an annual income. Therefore, an interim re-certification will not be completed when circumstances change.

If there are bonuses or overtime, which the employer cannot anticipate for the next twelve months, bonuses and overtime received the previous year will be used.

5.9. Minimum Income

There is no minimum income requirement for participation in the HCV Program. However, families that claim no income will be required to complete a zero-income survival statement. A new zero income survival statement shall be required to be completed by the family every 90 days for the period(s) during which the family continues to claim zero income. Regular contributions and gifts will be considered as income, including payment of utilities or any other bills by any other individual or organization.

If the family's expenses exceed their known income, CHA will make inquiry of the head of household as to the nature of the family's accessible resources and will use all available resources to determine if the family has unreported income.

5.10. Income of Person Permanently Confined To Nursing Home

If a family member is permanently confined to a hospital or nursing home and there is a family member left in the household, CHA will calculate the income by using the following methodology and use the income figure which would result in a lower payment by the family:

- The income of the family member confined will be included and corresponding out of pocket medical expenses will be deducted; or,
- The income of the family member confined will not be included and corresponding out of pocket medical expenses will not be deducted.

5.11. Regular Contributions and Gifts

Regular contributions and gifts to the household are counted as income for calculation of the Total Tenant Payment and Tenant Rent. Any contribution or gift received more than one time in an annual period will be considered regular unless such amount is less than \$100 on an annual basis.

This includes utility and rent payments made on behalf of the family by an outside source and any other cash or non-cash contributions.

5.12. 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 awarded by the court unless the family can verify that they are not receiving the full amount and verification of such is provided as follows:

- Verification from the agency responsible for enforcement or collection;
- Documentation of child support or alimony collection action filed through a child support enforcement/collection agency, or collection action filed through an attorney.

5.13. 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.

5.14. Contributions to Retirement Funds

While an individual is employed, contributions to company retirement/pension funds count as assets if the family can access the funds without retiring or terminating employment. After retirement or termination of employment, any amount the employee elects to receive as a lump sum is counted as a lump sum payment as described above.

5.15. 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.

5.16. Child Care 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 child care 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.

5.17. 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. The IRS Publication 502 will govern the final determination as to whether a particular medical expense is permitted or prohibited as an allowable deduction.

5.18. 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 shall 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.

5.19. 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.

5.20. 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.

5.21. Calculating Annual Income CHA may calculate annual income based on the past actual income received or earned within the last 12 months prior to the recertification unless the participant provides verification that circumstances have changed. If the family has a history of seasonal employment and unemployment benefits, CHA will annualize both sources of income and a subsequent interim recertification will not be completed when circumstances change throughout the year following the annual re-certifications.

SECTION 6

VERIFICATION PROCEDURES

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 procedures and 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. SSN Documentation:

Applicants and participants (including each member of the household) are required to provide documentation of each disclosed Social Security Number. Acceptable evidence of the SSN consists of:

- An original SSN card issued by SSA;
- An original SSA-issued document, which contains the name and SSN of the individual; or
- An original document issued by a federal, state, or local government agency, which contains the name and SSN of the individual

Rejection of Documentation – CHA may reject documentation of the SSN provided by the applicant or participant for only the following reasons:

- The document is not an original document; or
- The original document has been altered, mutilated, or not legible; or
- The document appears to be a forged document (i.e. does not appear to be authentic).

CHA will explain to the applicant or participant, the reason(s) the document is not acceptable and request the individual to obtain acceptable documentation of the SSN and submit it to the CHA within 10 calendar days.

Verification of the SSN – CHA will verify each disclosed SSN by:

- Obtaining the documentation listed above from applicants and participants (including each member of the household);
- Making a copy of the original documentation submitted, returning it to the individual, and retaining the copy in the file folder; and
- Recording the SSN on line 3n of the form HUD-50058, and transmitting the form HUD-50058 to HUD within 30 calendar days of completing the form, to enable HUD to initiate its computer matching efforts. **Note: not applicable to applicants.**

HUD, via its computer matching program with the SSA, will validate the SSN (along with the individual's name and date of birth) against the SSA's database. EIV will report the status of the identity verification process as **Verified**, **Failed**, **Not Verified**, or **Deceased** on the household **Summary Report**. Below is a summary of the action CHA will take for each identity verification status.

- **Verified.** If the information matches the SSA database, the individual's identity verification status will be **Verified**. No further action is required.
- **Failed.** If the information does not match the SSA database, the identity verification status will be **Failed**. Individuals whose identity verification status is failed will be required to provide CHA with additional information and verification documents as requested and necessary to determine correct identification.
- **Not Verified.** If an individual's identity verification status is **Not Verified** this means that HUD has not yet sent the tenant's personal identifiers to SSA for validation. No further action is required.
- **Deceased.** If an individual's identity verification status is **Deceased** this means that SSA's records indicate the person is deceased. CHA will confirm the death with the family's head of household or listed emergency contact person.

Once the individual's verification status is classified as **verified**, CHA will remove and destroy, by no later than the next re-exam of family income or composition, the copy of the documentation provided and retain only the verification documentation from the EIV report.

Individuals without an assigned SSN – Citizens and lawfully present noncitizens who state that they have not been assigned a SSN by the SSA, must make such declaration in writing and under penalties of perjury to the CHA. This declaration will be maintained in the tenant file.

An alternate ID will be assigned to those individuals who do not have or unable to disclose a SSN. Once an individual discloses a SSN, CHA will delete the ALT ID and secure a verified status of the SSN provided.

6.3. The Enterprise Income Verification (EIV) System

The EIV system is a web-based application which provides CHA with employment, wage, unemployment compensation and social security benefit information for participants of the Housing Choice Voucher Program. Information in EIV is derived from computer matching programs between HUD, Social Security Administration (SSA), Department of Labor (DOL), and the Department of Health and Human Services (HHS).

EIV is classified by HUD as an upfront income verification (UIV) technique and is considered by HUD as an automated third party written verification.

6.4. Verification of Social Security Income

Income from Social Security will be verified for applicants with a SSA benefit verification letter (dated within the last 60 days of the PHA request date for information) provided by the family. Income from Social Security will be verified for participants with an **EIV Income Report** which displays the current social security benefit amount.

6.5. The Verification Hierarchy

CHA is required by HUD to access the EIV 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 60 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 if paid bi-weekly or a minimum of three paystubs if paid weekly, within thirty days of the commencement of employment.

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

CHA will allow two (2) weeks for return of level three documents before going to the next level identified above. The file will be documented as to why third-party verification was not used.

6.6. Release of Information

All adult family members will be required to sign the HUD 9886 Release of Information/Privacy Act form. In addition, family members will be required to sign specific authorization forms when information is needed that is not covered by the HUD form 9886. Family refusal to cooperate with the HUD prescribed verification system will result in denial of admission or termination of assistance based on violation of the family obligation to supply any information and to sign consent forms.

6.7. Income Discrepancy Reports

At least annually, CHA will analyze the Income Discrepancy Report from the HUD EIV system. CHA will send a letter within 10 business days from the end of each quarter to schedule a meeting with participants identified in EIV with an income discrepancy. The income discrepancy will be explained to the family as well as the family's obligations to resolve and/or dispute the discrepancy.

If the family disputes the discrepancy, they are responsible for contacting the reporting employer to secure documentation that will support their dispute. If the family claims that the discrepancy is the result of stolen identity, the family is responsible for providing CHA with legal documentation that will support their claim of stolen identity.

If the family does not dispute the claim, CHA will proceed to terminate the family's housing assistance in accordance with the termination provisions outlined in the Administrative Plan.

6.8. Items to be Verified

The following information must be verified to determine initial program eligibility, to calculate total tenant payment, tenant rent and housing assistance and at each annual re-certification of income.

- All income not specifically excluded by the regulations.
- Full-time student status including High School students who are 18 or over.
- Current assets including assets disposed of for less than fair market value
- Childcare expense where it allows an adult family member to be employed or to further his/her education.
- Total medical expenses of all family members in households whose head or spouse is elderly or disabled.
- Disability assistance expenses for costs associated with attendant care or auxiliary apparatus for a disabled member, which allow an adult family member to be employed.
- Disability for determination of allowances or deductions.
- U.S. citizenship/eligible immigrant status
- Social Security Numbers for all family members over 6 years of age or older who have been issued a social security number.
- Familial status when needed for head or co-head definition.
- Verification of Reduction in Benefits for Noncompliance
- Financial assistance and related costs for post-secondary education

6.9. Verification of Non-EIV Sources

Verification of information not included on the EIV report or of non EIV sources includes income sources described below.

Welfare Payments or General Assistance – Alternate methods of verification include, in this order: on-line statements from State Welfare systems; verification form completed by payment provider; written statement from payment provider indicating the amount of grant/payment, start date of payments, and anticipated changes in payment in the next 12 months; computer-generated Notice of Action; computer-generated list of recipients from Welfare Department.

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 notarized letter from the person paying the support; copy of latest check and/or payment stubs from Court Trustee.

If payments are irregular, the family must provide: a copy of the separation or settlement agreement, or a divorce decree stating the amount and type of support and payment schedules; a statement from the agency responsible for enforcing payments to show that the family has filed for enforcement...

Net Income from a Business – In order 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.

Zero Income Status – Families claiming to have no income will be required to complete a "survival statement". If the family continues to claim zero income, they will be required to complete a "survival statement" every 90 days. CHA will also secure a credit report for all families claiming zero income to determine if the family has an unreported income source.

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.

Savings Account Interest Income and Dividends – Acceptable methods of verification include, in this order: account statements, passbooks, certificates of deposit, or PHA verification forms completed by the financial institution and broker's statements showing value of stocks or bonds and the earnings credited the family. Earnings can be obtained from current newspaper quotations or oral broker's verification; IRS Form 1099 from the financial institution, provided that the PHA must adjust the information to project earnings expected for the next 12 months.

Interest Income from Mortgages or Similar Arrangements – Acceptable methods of verification include, in this order: a letter from an accountant, attorney, real estate broker, the buyer, or a financial institution stating interest due for next 12 months. (A copy of the check paid by the buyer to the family is not sufficient unless a breakdown of interest and principal is shown.); amortization schedule showing interest for the 12 months following the effective date of the certification or re-certification.

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.

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). Acceptable verification may include any of the following: verification forms, letters, or documents from a financial institution or broker; passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker; quotes from a stock broker or realty agent as to net amount family would receive if they liquidated securities or real estate; real estate tax statements if the approximate current market value can be deduced from assessment; financial statements for business assets; copies of closing documents showing the selling price and the distribution of the sales proceeds; appraisals of personal property held as an investment.

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.

Child Care Expenses – Written notarized 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.

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.

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.

6.10. 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 or federal agency that includes the date of birth of the minor.

6.11. 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.

6.12. 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 following information must be presented as verification prior to removing any household member from the assisted household: legal evidence of divorce action; evidence of legal separation; order of protection/restraining order obtained by one family member against another; lease or rental agreement showing the individual listed as the member of another household; a document from a Court or correctional facility stating how long they will be incarcerated. CHA will verify with the U.S. Postal service to determine if there has been a change of address entered for the adult person reported as permanently absent.

6.13. 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.

6.14. Verification of Income

In determining annual income, CHA will calculate anticipated income over the next 12 months. Third-party documentation will be requested pursuant to the hierarchy above.

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. When eligibility has been determined, CHA will conduct a mandatory briefing to ensure that families know how the program works.

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. Briefing Types and Required Attendance

Initial Applicant Briefing – A full program briefing will be conducted for applicant families who are determined to be eligible for assistance. The briefings will be conducted in groups. However, families who attend group briefings and still have the need for individual assistance will be referred to leasing staff for additional guidance. All briefings will utilize audio-visual aids to assist applicants with limited comprehension or second language needs. Other reasonable accommodations will be provided to individuals who are disabled upon notification to CHA. While we recognize the inconvenience to the family, children will not be permitted at the briefing session in order to ensure an informative learning environment that will meet the needs of all applicants.

The purpose of the briefing is to explain how the program works and distribute the required documents in the voucher packet to applicants. This will enable families to utilize the program to their advantage, and prepare them to discuss the Housing Choice Voucher Program with potential owners and property managers.

CHA will not issue a voucher to an applicant family unless the household representative has attended a briefing and signed the voucher form. Applicants who provide prior notice of inability to attend a briefing will automatically be scheduled for the next briefing. Applicants who fail to attend two (2) scheduled briefings will be denied admission based on failure to supply information needed for certification.

Briefing Packet – The documents and information provided in the briefing packet for the voucher program include the following required items:

- HUD approved voucher form indicating the term of the voucher;
- Housing search record form;
- CHA's policy for requesting extensions of the voucher;
- A description of the method used to calculate the housing assistance payment for a family;
- Payment standards and utility allowance schedule(s);
- Explanation of the maximum allowable rent for an assisted unit including the rent reasonableness standard and affordability standards;
- Where the family may lease a unit;
- Owner and family responsibilities;
- Maps indicating areas of low poverty encouraging the families to use their voucher in these areas.
- Portability procedures and an explanation of how portability works;
- HUD required tenancy addendum;
- HUD approved Request for Tenancy Approval (RTA) form;
- A statement of the CHA policy on providing information about families to prospective owners;
- HUD brochure "A Good Place to Live" on how to select a unit that complies with HQS;
- HUD required information on lead-based paint;
- Applicants rights to a review of CHA decisions and participants rights to informal hearings;
- Requirements for reporting changes in income and family composition;
- Fair Housing rights and a housing discrimination complaint form;
- Information on how to access listings of available rental units via Social Serve;
- Information about the Family Self-sufficiency Program; and,
- Information about the Section 8 Homeownership Program.

Program Move Briefing – Program participants that have been under lease for a period of one year may opt to move to another assisted unit at the anniversary date of their lease agreement and Housing Assistance Payments contract. Families approved to move must attend a "Program Move" briefing describing the requirements for a successful move within the program.

A program move briefing packet containing the following information will be provided to the program participant:

- HUD approved voucher form indicating the term of the voucher;
- Instructions for program moves;
- Current payment standards and utility allowances;
- Request for Tenancy Approval; and,

- HUD required information on lead-based paint;
- Information on how to access listings of available rental units via Social Serve;
- Information about the Family Self-sufficiency Program; and,
- Information about the Section 8 Homeownership Program.

7.4. Housing Opportunity and Mobility

CHA will provide information at the briefings to assist applicants and program participants with assistance in locating to areas of low poverty. A map will be provided to applicants indicating areas of low poverty. Program move briefings will include detailed information on portability.

7.5. Security Deposit Requirements

The payment of a security deposit is an issue strictly between the owner and the voucher holder. The HCV program does not assist with security deposit payments and the Housing Choice Voucher Program does not provide for any special claims or payments for unpaid rent, damages or vacancy loss to the owner.

The owner is not required to but may collect a security deposit from the assisted household in accordance with local market practices. Security deposits charged by owners may not exceed those charged to unassisted households nor exceed the maximum prescribed by state or local law.

7.6. Term of Voucher

New Admissions – During the briefing session, each household will be issued a voucher, which represents a contractual agreement between CHA and the Family, specifying the rights and responsibilities of each party. It does not constitute admission to the program, and the family remains an applicant, until such time that a lease and contract become effective.

The voucher is valid for a period of ninety 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.

Program Move Participants – Vouchers for Program Moves are valid for 60 days and will not be extended. The family must submit an acceptable RFTA within the initial voucher period or a move will not be approved. If the voucher expires and the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

If the family had vacated their assisted unit prior to locating a new unit and their program move voucher expires, no further assistance will be provided and the family will be considered as having voluntarily left the program. The family will not be entitled to a review or a hearing.

Extension will only be grant if it is for an approved Reasonable Accommodation – CHA will extend the voucher term up to 180 days from the beginning of the initial term if the family needs and makes a written request for an extension as a reasonable accommodation to make the program accessible to and usable by a family member with a disability, provided that such request is made prior to the expiration of the initial term of the voucher.

Within 15 business days after the expiration of the voucher term or any extension thereof, CHA will advise the family in writing that the voucher term has expired and that the family must re-apply for housing in the future to be placed on the waiting list.

7.7. Transfer and Retention of Voucher

Assistance may only be transferred to someone other than the designated head of household or co-head of household if the head or co-head involuntarily leave the household. No household member may voluntarily assign the assistance to another household member.

CHA will only approve the transfer of a voucher if a remaining member of the household is a sole member or legally obtains custody of the remaining minor members of the household. To be considered the remaining member of the assisted family, the person must have been previously approved by CHA to be living in the unit, identified on the HUD 50058 at the most recent re-certification and be listed on the most recent lease agreement with the owner.

A live-in attendant, by definition, will not be considered a remaining member of the family and will not be entitled to any continued assistance if the person who they were assisting ceases to receive assistance for any reason. A minor child may only be considered as a remaining member of the household if a court has awarded emancipated minor status to the minor. A reduction in family size may require a corresponding reduction in the voucher family unit size.

7.8. 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.

7.9. 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 shall 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 shall periodically review and adjust operating parameters of the program to achieve the above objectives. To the extent necessitated by program circumstances, CHA shall 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

7.10 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” shall be issued. This declaration shall 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” shall 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.

7.11 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 shall 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.

7.12 Selecting Contracts to be Terminated – The CHA shall 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 shall 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.

7.13 Order of Priority for Contract Termination – The priority of contract termination shall be based on the date of initial CHA assistance. Contracts shall 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 shall 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.

7.14 Notification of Contract Terminations – CHA shall 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 shall 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 shall 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 shall be attached to the notice.
- A receiving PHA of a CHA outgoing portable family shall 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 shall 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, shall 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 shall be wait listed for a period of three years and shall be selected for issuance of a voucher prior to any applicants on the pre-application waiting list.

7.15 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 shall 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.

Suspension of Housing Assistance Payments – As an alternative to terminating active HAP Contracts, CHA may choose to suspend housing assistance payments for a period of one month in any calendar year. Landlords and participants will be provided with a minimum of a 30-day notice of any such suspension of payments.

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. Request for Approval of Tenancy

The Request for Tenancy Approval (RFTA) must be submitted by the family during the term of the voucher. The family must submit the RFTA in the form and manner required by CHA as follows:

- All corresponding blanks on the RFTA form must be fully completed and legible, including the age of the building and the most recent rent charged;
- The form must be signed by both the owner and voucher holder;
- The family may not submit more than one RFTA at a time.
- The PHA will review the RFTA documents to determine whether or not they are approvable based on the following criteria:
 - The unit is an eligible type of housing under the program;
 - The rent to owner plus tenant paid utilities does not exceed the applicable payment standard for the bedroom size of the voucher issued to the family; or the rent requested meets the affordability test (does not exceed 40% of the households monthly adjusted income); and,
- The rent is reasonable in comparison to unassisted like units in the same location.

If CHA cannot approve the RFTA based on any of the above, CHA staff will contact the owner to determine if they are willing to negotiate within terms that would be approvable under the program requirements. If the owner and CHA are unable to reach acceptable terms, the voucher holder will be notified within 5 days and advised that the unit is not acceptable. The voucher holder will have the remaining period on their voucher to locate an acceptable unit. The voucher time will not be suspended or "tolled" during this period.

8.3. 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;
- 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.

8.4. Lease Review

The family and owner must submit a standard form lease that is used for the owner's unassisted tenants at the premises. The terms and conditions of the lease must be consistent with State and local law. The lease must specify the name of the owner and the tenant; the address of the unit; the term of the lease; the amount of the total rent to the owner (contract rent) and, what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family.

The initial term of the lease agreement must be for a minimum of 12 months unless CHA approves a shorter term as a reasonable accommodation for a household with a disabled member or for the remaining term of an existing lease when a first time voucher holder is leasing-in-place.

During the initial term of the lease, the owner may not raise the contract rent amount. Any provisions for renewal of the dwelling lease will be stated in the dwelling lease.

The HUD prescribed tenancy addendum, which is attached to the Housing Assistance Payments contract, as Part C, will always take precedence over any other terms and conditions in the owner's lease with the tenant. House rules of the owner may be attached to the lease as an addendum, provided they do not violate any fair housing provisions and do not conflict with the HUD tenancy addendum.

8.5. 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 shall be processed as follows:

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

8.6. 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.

8.7. 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. Owners will be encouraged to screen applicants for rent payment history, payment of utility bills, eviction history, respecting the rights of other residents, damage to units, drug-related criminal activity or other criminal activity that is a threat to the health, safety or property of others, and compliance with other essential conditions of tenancy.

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.

8.8. Contract Execution Process

The Housing Assistance Payments Contract will be effective on the first working day following the passed inspection or the date CHA approved the rent and lease agreement whichever is later.

If the tenant moves into the unit prior to the effective date of the HAP contract, the tenant shall be responsible for the full amount of the rent until the HAP contract becomes effective.

The Housing Assistance Payment Contract will be provided to owners as follows:

- CHA will send Part I of the HAP Contract via e-mail. The owner will be required to return the executed copy of Part I within 10 days from the transmission date.
- Part II of the HAP contract will be posted on the Landlord portal. Owners will be advised to read Part II of the HAP when Part I is transmitted.

Owners will be required to provide proof of ownership for the assisted unit in a form acceptable to CHA. The HAP contract will be executed in the name as indicated on the proof of ownership. If the owner has assigned an agent to represent the owner, then appropriate legal documentation must be provided prior to execution of the HAP contract.

If CHA fails to prepare the contract and schedule a contract signing prior to the approved lease effective date, housing assistance will be retroactive to the date the unit passed inspection or the lease effective date whichever is later. However, if the owner fails to return the executed Part I of the HAP contract, the housing assistance payment will be effective the first of the month following the month in which the owner actually signs the contract.

SECTION 9

HOUSING QUALITY STANDARDS AND INSPECTIONS

9.1. General

The Housing Quality Standards (HQS) are federal standards established by HUD that serve to measure the minimum quality of housing acceptable in the Housing Choice Voucher Program. HQS standards are utilized to inspect housing units at initial occupancy and during the term of the Housing Assistance Payments contract. HQS standards apply to the building and premises, as well as the unit. Newly leased units must pass the HQS inspection before the beginning date of the 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 HQS.

This Chapter describes CHA's policies for performing HQS and other types of 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 HQS requirements for both families and owners.

9.2. Guidelines/Types of Inspections

Effort will be made at all times to encourage owners to provide housing above HQS 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:

- **Annual** – a routine inspection conducted prior 12 months from the date of the last inspection.
- **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;
- **24-Hour Re-inspection** – an inspection on a property which had a failing item considered a life/safety hazard;
- **RTA/Initial** – inspection on a property which the tenant has selected and is requesting approval of a new unit;
- **Complaint** – inspection on a property which has been requested by the resident or other involved party due to perceived problems with the property;
- **Abatement Cure** – inspection on property where abatement has commenced but is still within the thirty-day window prior to termination;
- **Re-instatement inspection** – inspection in which the contract was terminated but a determination has been made to re-instate the contract;
- **QA (Quality Assurance)** – re-inspection by a supervisor of units previously inspected;
- **QA Re-inspection** – re-inspection on a failed QA;

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 reserves the right to conduct annual inspections for units that required a reinspection on the last regularly scheduled inspection.

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
RTA/Initial	Within 48 hours from completion of rent negotiations	Within 72 hours from schedule.
Annual/Biennial	120 days prior to anniversary date of the last inspection	90 days prior to the anniversary date of the last inspection
Complaint	Within 24 hours from determination by CHA of a valid request.	Within 48 hours from schedule
Life/Safety Re-inspection	At initial inspection	Within 24 hours of initial inspection
Annual/Biennial Re-inspection	Upon notification by owner that the repairs have been completed by no later than 75 days prior to the anniversary date of the last annual/biennial inspection.	Within 60 days prior to anniversary date of the last annual/biennial inspection
Other Re-inspection	24 hours from written notification by landlord that unit is ready for re-inspection	Within 5 days from schedule.

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 by telephone or e-mail 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 HQS standards and appropriate action will be taken based on the inspection type.

Responsibility for access for annual/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.

Complaint Inspections – Participants may file a complaint inspection via telephone. Upon receipt of a request for a special inspection from a participant, CHA will complete the complaint inspection form and contact the property owner to determine if the tenant has notified the owner of the complaint.

If the owner is non-responsive after three attempts to contact; or, if upon contact indicates that they were not notified of a repair request, the owner will be provided with 10 days to resolve the complaint with their tenant prior to CHA scheduling an inspection. If after 10 days, the owner has not resolved the complaint, CHA will schedule a special complaint inspection.

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 Housing Quality 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 HQS 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 shall be defined as life/safety items and must be corrected within 24 hours of the initial inspection.

- Lack of an operable smoke detector;
- Lack of an operable carbon monoxide detector if there any gas service in the unit;
- Ceiling damage reflecting imminent danger of falling;
- Major plumbing leaks resulting in flooding of the unit;
- Natural gas leaks or fumes;
- Electrical problems which could result in shock or fire;
- Non-operable HVAC when outside temperature is below 40 degrees Fahrenheit and temperature inside unit is below 62 degrees Fahrenheit.
- Lack of an operable toilet.
- Broken glass which creates an imminent danger to residents
- Obstacle which prevents tenant's entrance or exit

All life/safety items shall be considered the responsibility of the owner. The owner shall 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 HQS 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 as documented by photos;
- 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;
- Poor housekeeping habits that cause the unit to be unsanitary or unsafe for the family;

“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 HQS violations shall 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.

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 shall 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 shall 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 as 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 HQS 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 shall 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.

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. Initial Rent to Owner

CHA will review the following items to determine if the rent requested by the owner meets the program requirements as follows:

- The requested rent plus the cost of tenant paid utilities (calculated on the most recent program utility allowance schedule) cannot exceed the applicable payment standard; or,
- Total tenant payment cannot exceed 40% of the assisted family's monthly-adjusted income.
- The rent to owner must be reasonable in comparison to rent for other comparable unassisted units.

10.3. Making Payments to Owners

Once the HAP Contract is executed, CHA will commence processing payments to the landlord. All HAP payments will be made via direct deposit into an account designated by the property owner. Owners who do not wish to participate in the ACH direct deposit program will not be approved by CHA for participation in the program.

HAP contracts executed and returned by the 25th day of the month preceding the effective date will be processed for the first of the next month. Contracts received between the 25th and the last day of the month will not be processed for payment until the second month after receipt but will be retroactive to the first of the previous month.

Payment will be made on a master basis for all units under contract with a single property owner. Payments for different properties will only be processed if the owner provides a separate federal tax identification number.

10.4. 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 rent to owner;
- If there is a five percent decrease in the published FMR 60 days before the contract anniversary;
- If directed by HUD; and,
- Based on a need identified by CHA.

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 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 include:

- Location by zip code and census tract;
- Number of Bedrooms and bathrooms;
- Other identifiable amenities;
- Type and age of structure; and
- Tenant paid utilities.

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.

10.5. 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 staff may approve a payment standard amount up to 110% of the published FMR if CHA's payment standards are set below 110% of the FMR. Such higher payment standard must be requested by the family and subsequently approved, as necessary, by CHA after a family with a disabled person or an individual person with disabilities locates an otherwise approvable unit. If needed, the HCV Director may approve the use a payment standard up to 120% of the FMR for units with special features required to meet the needs of the person(s) with disabilities.

10.6. Increases in Owner Rent

Rent increases to owners will only be considered at the time of annual re-certification of the assisted family. Owners must submit a request for a rent increase at least 60 days prior to the anniversary date of the lease.

Any changes in the rent requested by the owner must comply with all provisions of the rent reasonableness requirements.

Rent increases for rent restricted rental units receiving an indirect subsidy from another government source (Department of Agriculture, Low Income Housing Tax Credits under the IRS, etc.) will be processed when a project wide rent increase has been approved by the assigned oversight agency for these properties. CHA will approve a rent for the tenant-based vouchers in these properties that is equivalent to the market rate rent approved by the corresponding agency. If these properties have no market rate units, CHA will approve rent for tenant-based vouchers equal the highest restricted rent for the applicable unit size and type in the property.

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 proposed termination of assistance notice will be issued to the family. If the family completed the recertification by the expiration date of the time limit stated in the proposed termination notice, to request a hearing, the termination action will be suspended.

Timing of Rent Change – Changes in tenant rent shall 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 shall 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 shall 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 completes a zero-income survival statement at the time of the annual re-certification and later obtains other 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 and 90 Day Zero Income Survival 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. Upon completion of the recertification, the family will be scheduled for a Program Move briefing. Attendance at the briefing is mandatory and a Program Move voucher will only be issued upon completion of the briefing.

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 HQS 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 is newly diagnosed with a disability, which requires a reasonable accommodation.

CHA's notice to the owner of termination of a HAP contract will include notification of the participant's intent to vacate the property and will be considered proper 30-day notice. The owner shall be responsible for assuring compliance with all provisions of the lease agreement and applicable state laws as they relate to security deposits. Failure to comply with these provisions could result in prohibition of future participation in the HCV Program.

12.3. Portability

Applicants must reside within the jurisdiction of CHA for a period of one year prior to exercising portability options. 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 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.

If a family desires to “port” to a jurisdiction with substantially higher (20% greater) payment standards, CHA will work with the receiving PHA to determine their ability to absorb the family. CHA will approve all port requests when the receiving PHA is able to absorb the family. CHA will only deny a request to “port” to a higher cost area if CHA would be unable to avoid termination of housing choice assistance for current participants during the calendar year in order to remain within its budgetary allocation (including any HAP reserves) for housing assistance payments.

If a family requests portability, the location where they intend to port must be identified in the request. CHA will contact the “receiving” PHA in that jurisdiction and advise them of the family’s intent. A voucher and corresponding portability documents will be issued to the family.

CHA will absorb all incoming portable families provided there is funding available. A CHA voucher will be issued to the incoming family for the period of time remaining on the voucher issued by the initial PHA. CHA will notify the initial PHA of their action to absorb the voucher. All incoming voucher holders must attend a new admissions program briefing. If funding is not available, CHA will administer the voucher on behalf of the initial PHA.

CHA will not permit families to exercise portability if there exists 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.

12.4. Billing Procedures

The receiving PHA is responsible for billing CHA for 100% of the Housing Assistance Payment and 80% of the HUD pro-rated Administrative Fee (at CHA’s rate) for each “Portability” Voucher leased as of the first day of the month. CHA will not issue payment until an invoice is received by the receiving PHA within the time limits established by HUD. Late billings will not be processed for payment and the Receiving PHA will be so notified.

If CHA does not receive an updated HUD 50058 within 30 days after the effective date of a required annual recertification, CHA will send a letter to the receiving PHA to verify the status of the family with a copy sent to the Columbia HUD office. If the receiving PHA does not respond to CHA’s request on the status of the family within 30 days from the date of the written request, CHA will submit a request to the Columbia HUD office that HUD require the receiving PHA absorb the voucher(s) in question.

CHA will continue to make the monthly payment based on the most recently received 50058 until otherwise instructed by HUD.

SECTION 13 CONTRACT TERMINATIONS

13.1. General

The Housing Assistance Payments (HAP) Contract is the contract between the owner and CHA, which defines the responsibilities of both parties.

This Chapter describes the circumstances under which the contract can be terminated by CHA and by the owner, and the policies for such terminations.

13.2. Contract Termination

The term of the HAP Contract is consistent with the term of the lease. The HAP Contract may be terminated by CHA, or by the owner, or may terminate automatically if the tenant vacates the contract unit.

No future subsidy payments on behalf of the family will be made to the owner after the month in which the contract is terminated. However, the owner may retain the housing assistance payment for the month in which the unit was vacated.

If the family continues to occupy the unit after the HCV contract is terminated, the family is responsible for the total amount of rent due to the owner.

After a contract termination, if the family meets the criteria for a program move, the family may utilize their voucher in another unit.

13.3. Termination of Tenancy by the Owner

If the owner wishes to terminate the lease, the owner is required to provide proper notice as stated in the lease. During the term of the lease, the owner may not terminate the tenancy except for the following grounds.

- Serious or repeated violations of the lease, including but not limited to failure to pay rent or other amounts due under the lease, or repeated violation of the terms and conditions of the lease;
- Other good cause because of something the family did or failed to do.

The owner must provide the tenant a written notice specifying the grounds for termination of tenancy, before the commencement of any eviction action. The notice may be included in, or may be combined with, any owner eviction notice to the tenant. The owner's eviction notice means a notice to vacate, or a complaint, or other initial pleading used under State or local law to commence an eviction action.

If the owner has begun eviction and the family continues to reside in the unit, CHA will continue to make housing assistance payments to the owner until the owner has obtained a court judgment or other process allowing the owner to evict the tenant and the tenant has vacated the assisted unit. By receipt of the housing assistance payment, the owner certifies that the tenant is still in the unit, the rent is reasonable and she/he is in compliance with the contract.

If an eviction is not due to a serious or repeated violation of the lease, and if CHA has no other grounds for termination of assistance, CHA will issue a program move packet so that the family can move with continued assistance.

13.4. Termination of the Contract by CHA

The HAP contract terminates automatically when the family vacates the unit regardless of cause. The HAP contract will also terminate automatically if the assistance to the family is terminated; funding is no longer available under the ACC contract with HUD; or 180 days have passed since the last housing assistance payment to the owner.

Notification will be provided to the owner and the tenant in accordance with the requirements of the HAP contract when action is taken by CHA to terminate the contract. The effective termination date will be the end of the month in which the notification was provided to the owner.

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 is the legal contractual document between CHA and the assisted family and 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:

- If any member of the family fails to sign and submit to HUD or CHA required consent forms for obtaining information;
- If no member of the family is a U.S. citizen or eligible immigrant;
- If the family is under contract and 180 days have elapsed since the last housing assistance payment was made;
- Persons convicted of manufacturing or producing methamphetamine in violation of any Federal or State law;
- A member of the household is subject to a lifetime registration requirement under a State sex offender registration program.
- A participant family is evicted by through legal court action from housing assisted under the program for serious violation of the lease.

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,
- 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

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.

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 and notarized 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, shall 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, shall 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 shall 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.

Terms of Repayment Agreement:

- Repayment agreements require an initial payment of 20% of the total debt owed upon execution of the agreement.
- The remaining balance owed shall be equally divided into no more than six monthly installments.

- Payments shall be due by the 15th day of each month.
- Failure to make a payment shall result in 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 as a result 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.

16.3. 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.

16.4. Writing off Debts

Debts owed to the HCV Program from program participants or owners will be reviewed each year to determine if such debts are valid and collectible. Debts will be written off if:

- The debtor's whereabouts are unknown and the debt is more than 3 years old;
- A determination is made that the debtor is judgment proof;
- The debtor is deceased;
- The debtor is confined to an institution indefinitely or for more than 3 years; or,
- The amount is less than \$100.00 and the debtor cannot be located.

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 with the exception of complaints regarding HQS life-safety violations. 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 shall 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 for Participants

Hearings are only available to program participants. 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 shall 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.

The hearing shall concern only the issues for which the family has received the opportunity for hearing. 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 in order to reconvene at a later date, before reaching a decision. If the family misses an appointment or deadline ordered by the Hearing Officer, the action of the CHA shall take effect and another hearing will not be granted.

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 shall be provided in writing to the family within 30 days and shall 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 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 shall 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 shall 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 shall 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 shall 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. Single Room Occupancy

Single room occupancy (SRO) refers to a housing unit that generally lacks a kitchen and may have a shared bathroom. A single person may use a Housing Choice Voucher to reside in an SRO housing unit.

A separate lease and housing assistance payment contract will be executed for each assisted person residing in an SRO. The payment standard used for an SRO unit is 75 percent of the zero-bedroom payment standard as determined annually by CHA. While an assisted person resides in SRO housing, the SRO payment standard must be used to calculate the housing assistance payment.

The utility allowance for an assisted person residing in SRO housing is 75 percent of the zero-bedroom utility allowance. The CHA will ensure that all SRO units approved for the program are in compliance with all of the Housing Quality Standards for SROs.

18.3. Congregate Housing

Congregate housing normally refers to a housing unit located in a home or building that shares a central kitchen facility. The facility may have shared bathrooms or may offer individual bathroom facilities for each living unit. A warm up kitchen with a small counter and microwave may also be included in the unit.

A separate lease and HAP contract will be executed for each assisted family residing in a congregate housing unit. Unless there is a live-in aide, the payment standard for a family that resides in a congregate housing unit is the zero-bedroom payment standard on the CHA payment standard schedule. However, if there are two or more rooms in the unit (not including kitchen or sanitary facilities), the payment standard for a family that resides in a congregate housing unit is the one-bedroom payment standard amount.

The CHA will ensure that all congregate housing units approved for the program are in compliance with all of the Housing Quality Standards for congregate housing.

18.4. Group Homes [24 CFR 982.610, 982.612]

A group home is defined as a facility that is licensed, certified, or otherwise approved in writing by the State, or the State's licensing department for the exclusive residential use of two or more (maximum number determined by State law) persons who are elderly or persons with disabilities.

There will be a separate HAP contract and lease for each assisted person living in a group home. For a group home the term “pro-rata portion” means that which is derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person plus any CHA-approved live-in Aide.

The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home. In determining reasonable rent CHA will consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private.

Unless there is a live-in aide, the family unit size will be determined as a zero bedroom. If there is a live-in aide, the live-in aide will be counted in determining the family unit size.

The payment standard for a person who resides in a group home is the lower of the payment standard for the family unit size; or the pro-rata portion of the payment standard amount on the CHA payment standard schedule for the group home size (total number of bedrooms in the group home).

The utility allowance for each assisted person residing in a group home is the pro-rata portion of the utility allowance for the group home unit size. The CHA will ensure that all group home units approved for the program are in compliance with all of the Housing Quality Standards for group homes.

18.5. Shared Housing

Shared housing is a single housing unit occupied by more than one household. The unit normally consists of both common space for shared use by both households and separate private space (sleeping and bathing quarters) for each household. An assisted family may use their Housing Voucher to reside in shared housing. In shared housing, an assisted family may share a unit with another resident or residents of a unit. The unit may be a house or an apartment.

The owner of a shared housing unit may also reside in the unit. A resident owner may enter into a HAP contract with the CHA. However, housing assistance may not be paid on behalf of an owner. The CHA will not approve assistance for a person or family that is related by blood or marriage to a resident owner. There will be a separate housing assistance payment contract and lease for each assisted family residing in a shared housing unit.

For shared housing, the term “pro-rata portion” means the ratio derived by dividing the number of bedrooms in the private space available for occupancy by a family by the total number of bedrooms in the unit. For example, for a family entitled to occupy three bedrooms in a five bedroom unit, the ratio would be 3/5.

The rent to owner to owner for the family may not exceed the pro-rata portion of the reasonable rent for the shared housing dwelling unit.

For a family that resides in a shared housing unit the payment standard is the lower of the payment standard amount on the CHA payment standard schedule for the family unit size or the pro-rata portion of the payment standard amount on the CHA payment standard for the shared housing unit size.

The utility allowance for an assisted family living in shared housing is the pro-rata portion of the utility allowance for the shared housing unit. The CHA will ensure that all shared housing units approved for the program are in compliance with all of the Housing Quality Standards for shared housing.

18.6. Cooperative Housing

A cooperative refers to a type of housing in which an individual has an ownership interest, normally shares or a percentage, in the overall property. Coops are always designated on the ownership documents as cooperative housing and the CHA will confirm that a property is so designated prior to processing a voucher under this housing arrangement.

The CHA will approve a family living in cooperative housing if it is determined that assistance under the program will help maintain affordability of the cooperative unit for low-income families. The CHA will not approve assistance for a family in cooperative housing until the CHA has also determined that the cooperative has adopted requirements to maintain continued affordability for low-income families after transfer of a cooperative member's interest in a cooperative unit (such as a sale of the resident's share in a cooperative corporation).

For cooperative housing, the rent to owner is the monthly carrying charge under the occupancy agreement/lease between the member and the cooperative. The carrying charge consists of the amount assessed to the member by the cooperative for occupancy of the housing. It includes the member's share of the cooperative's debt service, operating expenses, and necessary payments to cooperative reserve funds. However, the carrying charge does not include down-payments or other payments to purchase the cooperative unit, or to amortize a loan to the family for this purpose. Gross rent is the carrying charge plus any tenant paid utility.

The lease and other appropriate documents will stipulate that the monthly carrying charge is subject to HCV limitations on rent to owner. The payment standard is applied in accordance with standard procedures for applicability of payment standards described earlier in this plan. Utility allowances are also applied in accordance with standard procedures.

The CHA will ensure that all cooperative housing units approved for the program are in compliance with all of the Housing Quality Standards.

18.7. Manufactured Homes

A manufactured home is a structure that is built on a permanent chassis, is designed for use as a principal residence but is movable, is not anchored to a foundation but does have tie downs. The CHA will permit a family to lease a manufactured home and space with assistance under the program. The CHA will also provide assistance for a family that owns the manufactured home and leases only the space.

Rent and utility allowances are calculated for manufactured homes in the same manner as single family homes.

A manufactured home must meet all the HQS requirements. In addition, the manufactured home also must meet the following requirements:

- A manufactured home must be placed on the site in a stable manner, and must be free from hazards such as sliding or wind damage.
- A tie-down device that distributes and transfers the loads imposed by the unit to appropriate ground anchors to resist wind overturning and sliding must securely anchor a manufactured home.

18.8. Manufactured Home Space Rental

CHA will not permit the use of Housing Choice Vouchers for rental of manufactured home space only.

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 participants, either prior to or upon issuance of a voucher. At the conclusion of all Program Orientation Sessions, the family representative will be required to sign a “Program Briefing Certificate” to confirm that all rules and pertinent regulations were explained to them.

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 shall 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.

Credit Bureau Inquiries. Credit Bureau inquiries may be made (with proper authorization by the participant) in the following circumstances:

- For households that claim zero income;
- When an allegation is received by the CHA wherein unreported income sources are disclosed.
- When CHA has reasonable suspicion that family has failed to report proper information.

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

SECTION 8 MANAGEMENT ASSESSMENT PROGRAM

20.1. General

The U.S. Department of Housing and Urban Development implemented the Section 8 Management Assessment Program (SEMAP) on October 13, 1998 to serve as a management tool for objectively measuring program compliance, identifying management capabilities and deficiencies, as well as improving risk assessment for potential program problems. SEMAP also provides local housing agencies with a structured self-assessment system for evaluating the tenant-based rental assistance programs.

It is CHA's policy to manage the Housing Choice Voucher Program to assure ultimate program performance and achieve high performance status each year.

20.2. Performance Indicators

The following performance indicators and applicable points have been established under the SEMAP Program.

Performance Indicator	Total Possible Points
1. Selection from the Waiting List	15
2. Rent Reasonableness	20
3. Adjusted Income	20
4. Utility Allowance	5
5. HQS Quality Control	5
6. HQS Enforcement	10
7. Expanding Housing Opportunity	5
8. Payment Standards	5
9. Annual Reexaminations	10
10. Tenant Rent Calculations	5
11. Precontract HQS Inspections	5
12. Annual Inspections	10
13. Lease-Up	20
14. FSS Escrowing/ % of Families with Escrow Accounts	5
15. Deconcentration Bonus	5
TOTAL POSSIBLE POINTS	150
High Performer: 90+% Standard Performer: 61-89% Troubled: <=60%	

20.3. Certification Period

CHA is required to submit a certification to HUD within 60 days from the end of the fiscal year.

20.4. The SEMAP Certification Process

Each year, CHA will conduct a SEMAP confirmatory review. A detailed review, narrative report and supporting documentation will be prepared and presented to the CHA Board of Commissioners to support the annual SEMAP certification that is approved by the Board. The certification for each of the performance indicators will be supported by documentation from the following sources:

- Family files and computer records
- Public Housing Information Center (PIC)
- Management files, marketing materials, studies, and surveys.

20.5. Family Files and Computer Records

A random sample of family files and Computer Records along with management files, marketing materials, studies and surveys were reviewed to support the following SEMAP indicators:

- Indicator 1: Selection from the Waiting List
- Indicator 2: Rent Reasonableness
- Indicator 3: Adjusted Income
- Indicator 4: Utility Allowance Schedule
- Indicator 5: HQS Quality Control
- Indicator 6: HQS Enforcement
- Indicator 7: Expanding Housing Opportunities
- Indicator 8: Payment Standards
- Indicator 15: De-concentration (Bonus)

20.6. PIC Data

The Public Housing Information Center (PIC) is a national database of all families received housing assistance under the Housing Choice Voucher Program and the Public Housing Program. Family information is electronically submitted to PIC upon completion of a HUD 50058 Family Report. CHA will maintain a successful submission greater than 95% each year.

The following SEMAP indicators are evaluated based on information from the PIC database.

- Indicator 9: Annual Reexaminations
- Indicator 10: Tenant Rent Calculations
- Indicator 11: Pre-Contract HQS
- Indicator 12: Annual Inspections
- Indicator 14: FSS Enrollment and Escrow Account

Indicator 13, Lease-Up will be based on data provided by the Financial Management Center (FMC) to the Field Office for SEMAP scoring purposes. The SEMAP score for this indicator will be based on leasing data at the end of the calendar year that ends on or before the end of the PHA fiscal year.

20.7. Summary by Indicator

Indicator 1: Selection from the Waiting List – The purpose of this indicator is to determine whether the local housing agency has written admission policies in its Administrative Plan and to confirm whether the agency follows their admission policies when selecting applicants from the waiting list. The Administrative Plan must be formally adopted by the Housing Authority and must be submitted to HUD.

HUD will rate this indicator on the SEMAP certification. An agency can earn either all or none of the 15 points for this indicator. To earn all 15 points, the review must confirm that the agency has written admissions policies in its Administrative Plan and at least 98% of the families in the sample were selected from the waiting list in accordance with these policies and met the selection criteria that determined their places on the waiting list and their order of selection.

Indicator 2: Rent Reasonableness – The purpose of this indicator is to determine whether the housing agency has implemented a written, reasonable method for determining and documenting the rent charged for each unit leased. The method used must ensure that the rent charged is reasonable based on current rents for comparable unassisted units at the time of initial leasing; when there is any increase in the rent to owner; and at the HAP contract anniversary if there is a 5 percent decrease in the published FMR in effect 60 days before the HAP contract anniversary.

This indicator will be rated by HUD on the CHA's SEMAP certification. An agency can earn a maximum of 20 points for this indicator if the review confirms that:

- The CHA has a reasonable method it follows to determine reasonable rent which considers location, size, type, quality, and age of the units, and the amenities, housing services, and maintenance and utilities provided by the owner; and
- A random sample of tenant files demonstrates that the rent reasonable system was used and documented in 98% of the files sampled for initial lease-up, any rent increase to owner, and if there is a 5% decrease in the published FMR in effect 60 days prior to the HAP contract anniversary.

Fifteen points can be earned if the review confirms that the above criterion is met in 80-97% of the units sampled for the review. Zero points are earned if the rent reasonableness method is used and documented in less than 80% of the random sample files that are reviewed.

Indicator 3: Adjusted Income – The purpose of this indicator is to determine whether the housing agency has verified and correctly determined adjusted annual income for each assisted family at the time of admission; and at annual reexamination.

This indicator will be rated by HUD on the SEMAP certification. An agency can earn a maximum of 20 points for this indicator if the review confirms that based on a random sample in at least 90% of the families:

- The HA obtains 3rd party verification of reported family income, the value of assets totaling more than \$5000, expenses related to deductions from annual income and other factors that affect the determination of adjusted income, and/or the HA documents in tenant files why third party verification was not available;
- The HA properly attributes and calculates allowances for any medical, child care, and/or disability assistance expenses; and
- The CHA uses the appropriate utility allowance to determine gross rent for the unit leased.

Fifteen points can be earned if the review confirms that the above criteria are met in 80-89% of the files sampled for the review. Zero points are earned if adjusted income determinations are correct and properly documented in less than 80% of the random sample files reviewed.

Indicator 4: Utility Allowance Schedule – The objective of this indicator is to determine whether the CHA maintains an up-to-date utility allowance schedule in accordance with HUD program regulations, (24 CFR 982.517.)

This indicator will be rated by HUD on the SEMAP certification. An agency can earn a maximum of 5 points for this indicator if the review confirms that the CHA reviewed utility rate data within the last 12 months, and adjusted its utility allowance schedule if there has been a change of 10 percent or more in a utility rate since the last time the utility allowance schedule was revised.

Indicator 5: HQS Quality Control Inspections – The purpose of this indicator is to determine whether a CHA supervisor or other qualified person re-inspects a sample of the units under contract during the last completed CHA fiscal year. The quality control inspection process tests consistency in adherence to the Housing Quality Standards and also helps to determine if inspectors require additional training.

This indicator will be rated by HUD on the CHA's SEMAP certification. An agency can earn a maximum of 5 points for this indicator, if the review confirms that:

- A sample of assisted units were quality control inspected based on the sample size required for the number of units under contract.
- The sample represents units recently inspected (HQS inspections perform during the 3 months preceding the quality control inspection)
- The sample represents cross-section of inspectors and neighborhoods

Indicator 6: HQS Enforcement – The purpose of this indicator is to test the Housing Authority's ability to insure that life-threatening HQS deficiencies are corrected within 24 hours from the date of inspection and that all other HQS deficiencies are corrected within no more than 30 calendar days from the date of the inspection or any HA-approved extension. The indicator also tests whether the Authority has appropriately abated the rent to owner no later than the first of the month following the specified correction period, and if not corrected termination of the HAP contract.

This indicator also measures the response of the HA for family caused defects, and whether or not the Authority takes prompt and vigorous action to enforce the family obligations.

This indicator will be rated by HUD on the HA's SEMAP certification. An agency can earn a maximum of 10 points for this indicator if the review confirms that based on a random sample:

- 100% of life-threatening emergencies were completed within 24 hours;
- 98% of all other cited HQS deficiencies were corrected within no more than 30 days or any HA approved extension;
- If deficiencies were not corrected within required time frame, the HAP payment was abated no later than the first of the month following the correction period or the HAP contract was terminated or for family-caused defects took prompt and vigorous action to enforce the family obligations.

Indicator 7: Expanding Housing Opportunities – The purpose of this indicator is to determine whether the housing agency has adopted and implemented a written policy to encourage participation by owners with units located outside areas of poverty or minority concentration; informs rental voucher and certificate holders of the full range of areas where they may lease units both inside and outside of the CHA's jurisdiction; and supplies a list of landlords or other parties who are willing to lease units or help families find units, including units outside areas of poverty or minority concentration.

This indicator will be rated by HUD on the HA's SEMAP certification. An agency can earn a maximum of 5 points for this indicator if the review confirms that:

- The HA has a written policy to encourage participation by owners of units outside areas of poverty or minority concentration; the HA clearly delineates areas in its jurisdiction that the HA considers areas of poverty or minority concentration, and which includes actions the HA will take to encourage owner participation.
- The HA encouraged participation by owners outside areas of poverty and minority participation.
- The HA has prepared maps that show various areas, both within and outside of its jurisdiction.

- The HA's information packet for certificate and voucher holders contains either a list of owners who are willing to lease, or properties available for lease, under the rental voucher or certificate programs, or a list of other organizations that will help families find units and the list includes properties or organizations that operate outside areas of poverty or minority concentration
- The HA's information packet includes an explanation of how portability works and includes a list of neighboring HA with the name, address and telephone number of a portability contact person at each.
- CHA has analyzed whether rental voucher and certificate holders have experienced difficulties in finding housing outside areas of poverty or minority concentration and, if such difficulties have been found, CHA documentation shows that the CHA has analyzed whether it is appropriate to seek approval of area exception rents in any part of its jurisdiction and has sought HUD approval of exception rents when necessary.

Indicator 8: Payment Standards – The purpose of this indicator is to determine whether the housing agency has verified and correctly determined adjusted annual income for each assisted family at the time of admission; and annual reexamination.

This indicator will be verified by HUD through the use of payment standard information submitted to HUD on the SEMAP certification form and PIC gross rents and FMR data. An agency can earn a maximum of 5 points for this indicator if:

- At least 98% of the families newly leased in the certificate program, excluding over-FMR families, have initial gross rents at or below the applicable FMR or approved exception rent limit, and
- That the CHA has adopted payments standards which do not exceed the applicable FMR or approved exception rent limit and which are not less than 80% of the current FMR, unless approved by HUD.

Zero points are earned if the random sample demonstrates that more than 2% of the files sample have gross rents that exceed the applicable FMR, or HUD-approved exception rent limits, or the HA's rental voucher program payment.

Indicator 9: Annual Re-Certifications – The purpose of this indicator is to determine whether the housing agency completes an annual re-examination for each participating family at least every 12 months.

This indicator will be verified by PIC reports showing the percent of reexaminations that are more than 2 months overdue. An agency can earn a maximum of 10 points for this indicator if the PIC report confirms that fewer than 5% of all CHA reexaminations are more than 2 months overdue. Five points can be earned if the report confirms that 5 to 10% of all CHA reexaminations are more than 2 months overdue. Zero points are earned if more than 10% of all CHA reexaminations are more than 2 months overdue.

Indicator 10: Correct Tenant Rent Calculations – The purpose of this indicator is to determine whether the housing agency correctly calculates tenant rent in the rental certificate program, and the family's share of the rent to owner in the rental voucher program.

This indicator will be verified by PIC reports. The reports will demonstrate the percent of tenant rent and family's share of the rent to owner calculations that are incorrect based on data sent to HUD on the HUD-50058 form.

An agency can earn a maximum of 5 points for this indicator if the PIC report confirms that 2% or fewer of all CHA tenant rent and family's share of rent to owner calculations are incorrect. Zero points will be awarded if more than 2% of all CHA tenant rent and family's share of rent to owner calculations are incorrect.

Indicator 11: Pre-contract HQS Inspections – The purpose of this indicator is to determine whether newly leased units passed HQS inspection on or before the beginning date of the assisted lease and HAP contract.

This indicator will be verified by the PIC report which shows the percent of newly leased units where the beginning date of the assistance contract is before the date the unit passed HQS inspection. If 98 to 99 percent of newly leased units passed HQS inspection before the beginning of the HAP contract, the CHA will receive 5 points. If fewer than 98% passed inspection prior to execution of the contract, the CHA will receive 0 points.

Indicator 12: Biennial HQS Inspections – The purpose of this indicator is to determine whether the housing agency inspects each unit under contract at least every two years or utilizes an alternate inspection pursuant to Section 220 of the 2014 Appropriations Act.

This indicator will be verified by the PIC report, which shows the percent of HQS inspections that are more than 2 months passed due. It should be noted that the 2-month allowance is provided to accommodate a possible lag in the housing agency's electronic submission and not in the completion of the inspection. The CHA will receive 10 points if fewer than 5% of the annual inspections are more than two months late, 5 points if 5% to 10% are more than two months late and, 0 points if more than 10% of annual inspections are more than two months late.

Indicator 13: Lease-Up – The purpose of this indicator is to determine whether the housing agency utilized its annual budget authority plus any HAP reserves to support the maximum number of vouchers up to the maximum number of baseline vouchers under the ACC.

This indicator will be verified by the percent of annual HAP expense divided by the annual budget authority. An agency can earn a maximum of 20 points for this indicator if the percent of annual budget authority utilized was 98% or more. Fifteen points will be awarded if 95-98% of annual budget authority was utilized. Zero points will be awarded if less than 95% of the annual budget authority was utilized.

Indicator 14 – Family Self-Sufficiency – The purpose of this indicator is to determine whether the CHA has enrolled families in the FSS program as required, and the extent of the CHA's progress in supporting FSS by measuring the percent of current FSS participants with FSS progress reports entered in PIC that have had increases in earned income which resulted in escrow account balances.

HUD will verify this indicator through the PIC report that shows the number of families currently enrolled in FSS. This number is divided by the number of mandatory FSS slots based on funding reserved for the CHA through the second to last completed Federal Fiscal Year, or based on a reduced number of mandatory slots under a HUD-approved exception. A PIC report also shows the percent of FSS families with FSS progress reports who have escrow account balances. HUD also uses information reported on the SEMAP certification by initial CHA's concerning FSS families enrolled in their FSS programs but who have moved.

Indicator 15: Deconcentration – The purpose of this indicator is to determine what percentage of Section 8 families with children who live in and who have moved during the reporting period, moved to low-poverty census tracts in the CHA's principal operating area.

This indicator will be verified by the CHA data submitted for the de-concentration bonus and the latest independent auditor annual audit report.

20.8. Corrective Action

CHA will develop an internal corrective action plan for any indicator in which the performance score for that fiscal year is less than high performer. The corrective action plan will be closely monitored by staff to assure increased performance in the corresponding performance area.

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.

Chapter 21 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 shall 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 Housing Quality Standards.
- For a unit where the family will not own fee title to the real property (such as a manufactured home), the home must have a permanent foundation and the family must have the right to occupy the site for at least 40 years.
- If CHA owns the units to be purchased by an eligible family under the HCV Homeownership Program the following additional conditions shall apply.
 - ✓ CHA shall 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 Homeownership Specialist 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.

The Homeownership Specialist will conduct an initial Homeownership Preparedness Pre-Qualification Assessment.

If client is not deemed ready, Homeownership Specialist will continue intensive case management until client obtains a place of readiness, based upon mutually-agreed- upon goals.

The family must attend and satisfactorily complete GCHRC pre-assistance homeownership and housing counseling program which includes the information described below.

- Home maintenance (including care of the grounds);
- Budgeting and money management;
- Credit counseling;
- How to negotiate the purchase price of a home;
- How to obtain homeownership financing and loan pre-approvals, including a description of types of financing that may be available, and the pros and cons of different types of financing;
- How to find a home, including information about homeownership opportunities, schools, and transportation in the PHA jurisdiction;
- Advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas;
- Information on fair housing, including fair housing lending and local fair housing enforcement agencies; and
- Information about the Real Estate Settlement Procedures Act (RESPA), state and Federal truth-in-lending laws, and how to identify and avoid loans with oppressive terms and conditions.

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 shall 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 shall 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 shall 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 shall 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 shall not receive homeownership assistance for more than:

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

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

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

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

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

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

Homeownership assistance for a family shall 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 deb

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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.

This Chapter provides policy statements for the Family Self-Sufficiency program. Unless otherwise stated, the general administrative requirements of these programs will be the same as stated throughout the Administrative Plan.

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 shall 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 shall be prepared in the format prescribed by HUD and executed by the head of the FSS family.

22.5 Employment Obligation

The head of the FSS family is required to seek and maintain suitable employment during the term of the contract. Seek employment means that the head of the FSS family has applied for employment, attended job interviews and has otherwise followed through on employment opportunities. A determination of suitable employment shall be made by CHA based on the skills, education, job training of the head of the household and the availability of job opportunities.

22.6 FSS Escrow Account

An FSS escrow account shall 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 shall be established at the time of a re-certification based on the interim re-certification requirements described elsewhere in this Administrative Plan. Escrow contributions shall be credited monthly to each individual account and a statement of the account balance shall be issued at least annually following the close of CHA's fiscal year. Interest shall 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 shall 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 and duly notarized, that no individual in the household receives any federal, state or other public assistance.

SECTION 23

VETERANS AFFAIRS SUPPORTIVE HOUSING PROGRAM

23.1 Overview

The Veterans Affairs Supportive Housing (VASH) Program is an optional component of the Housing Choice Voucher Program administered by housing agencies that partner with local Department of Veterans Affairs (VA) medical facilities to provide tenant based vouchers to homeless veterans.

HUD provides a special set aside of funding specifically for VASH vouchers. HUD has established policies and procedures for VASH vouchers that are different from the standard tenant based vouchers. VASH vouchers shall be administered pursuant to the policies and procedures set forth by HUD under the VASH program.

This Chapter outlines the administrative requirements that apply specifically to the VASH vouchers. If not otherwise specified, all standard Voucher Program requirements set forth elsewhere in this Administrative Plan will apply.

23.2 Family Eligibility and Selection

VA Eligibility – Eligible families are homeless veterans and their families. Veterans Affairs case managers will refer VASH eligible families to CHA for the issuance of a voucher. A copy of the written referral document must be maintained in the CHA participant file and serves as the application to the program. CHA will not maintain a waiting list or apply any preferences to the VASH applicants.

Screening – VA case managers will screen applicants in accordance with the criteria set forth by the Veterans Administration. CHA cannot screen or deny admission to any VASH applicant for any reason with one exception: CHA will prohibit admission to the program if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. VASH referrals shall not be denied admission to the program for any former program violations. Veterans terminated under the VASH program may be re-referred by the VA Case Manager and CHA shall accept the referral regardless of former history with the voucher program.

Addition of Family Members – When adding a family member after the veteran has been admitted to the program, other than birth, adoption or court awarded custody, CHA will approve additional family members pursuant to standard screening criteria set forth elsewhere in this Plan.

Verification of Social Security Number(s) – An original document issued by a federal or state government agency, which contains the name of the individual and the social security number is acceptable to verify social security numbers for all household members. Copies of the social security card are not required. CHA must accept the “Certificate of Release and Discharge from Active Duty (DD-214)” for the veteran as verification of his/her social security number.

Fair Housing – The VASH Program is administered in accordance with all applicable Fair Housing requirements. When VASH recipients include veterans or family members with disabilities, HUD’s reasonable accommodation standards apply.

23.3 Voucher Term

The VASH voucher shall be valid for a total term of 180 days. The initial term of the voucher shall be for a period of 120 days. One extension of an additional 60 days will be provided upon recommendation of the VA case manager.

23.4 Eligible Housing and Lease Provisions

VASH families will be permitted to live on the grounds of a VA facility in units developed to house homeless veterans. Therefore, the provisions which prohibit use of vouchers on the physical grounds of medical, mental, or similar public or private institutions does not apply to the VASH program.

To provide a greater range of housing opportunities for veterans, CHA will enter into lease agreements for an initial period of less than 12 months and will encourage property owners and landlords to provide month to month leases for the VASH participants.

23.5 Portability

An eligible family that is issued a VASH voucher must receive case management services provided by the Veterans Administration Medical Center (VAMC). Therefore, VASH participants may reside only in jurisdictional areas that are accessible to case management services as determined by the VA case manager.

If the veteran wishes to move to an area where another PHA administers VASH vouchers, then CHA will work with the VA case manager to assure that the veteran’s case management services are transferred to the VAMC in the area where the veteran is moving. The receiving PHA will absorb the VASH voucher by issuing one of its VASH vouchers and will return CHA’s VASH voucher for issuance to another veteran in CHA’s jurisdiction.

If the veteran wishes to move to an area where there is not a PHA with a VASH program but CHA’s partnering VAMC will still be able to provide case management services, CHA will process a portability move. However, since CHA must maintain the records on the VASH vouchers, the receiving PHA must bill CHA pursuant to the voucher portability requirements.

If the VAMC determines that case management services are no longer required, then CHA will process a portability move under the normal portability rules.

23.6 Termination of Assistance

As a condition of receiving HCV rental assistance, the VASH eligible family must receive case management services from the VAMC or a Community Based Outpatient Clinic (CBOC). Therefore, a VASH participant’s assistance must be terminated for failure to participate, without good cause, in case management as verified by the VAMC or a CBOC.

CHA will utilize its discretion to consider all relevant circumstances of a veteran's specific case and will work with the VA case manager prior to issuance of a proposed termination of assistance for violation of family obligations under the voucher.

In the case of unreported income, CHA will provide the VASH participant with an opportunity to execute a repayment agreement at a reasonable monthly amount affordable to the veteran. In the case of a lease violation including misdemeanor criminal activity, CHA will work with the VA case manager and the veteran's landlord, if applicable, prior to issuance of a proposed termination of assistance for violation of family obligations under the voucher.

If the VAMC determines that case management is no longer required, CHA will offer the Veteran the choice of a unit at a Project Based Voucher property or a tenant-based voucher and the VASH voucher will be freed up for another eligible Veteran referred by the VAMC.

23.7 Payment Standards

CHA has established Exception Payment Standards for Veterans with disabilities equal to 120% of the HUD Published Fair Market rent as a reasonable accommodation. Payment Standards for any non-disabled Veteran will be equal to 110% of the HUD Published Fair Market Rent. However, the rent to owner for a unit selected by the Veteran is still subject to rent reasonableness.

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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall be twenty (20) years and a renewal term of up to an additional twenty (20) years shall 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 shall be subject to the following requirements.

- **Program Cap** – Additional units added to an existing contract shall 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 shall 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 shall 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 shall 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 shall 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 shall be identified in the CHA Annual Plan and the corresponding certification of civil rights and affirmatively furthering fair housing submitted under the PHA Plan shall 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" shall 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 complies 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 shall 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 shall 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 shall 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 shall 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 forth 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 shall 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 for 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.

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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall be twenty (20) years and a renewal term of up to an additional twenty (20) years shall 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 shall be subject to the following requirements.

- **Program Cap** – Additional units added to an existing contract shall 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 shall 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 shall 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 shall 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 shall 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 shall be identified in the CHA Annual Plan and the corresponding certification of civil rights and affirmatively furthering fair housing submitted under the PHA Plan shall 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" shall 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 complies 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 shall 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 shall 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 shall 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 shall 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 forth 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 shall 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 for 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.