

**2023**

**ADMINISTRATIVE PLAN FOR THE  
HOUSING CHOICE VOUCHER  
PROGRAM**

**(SECTION 8)**

**UPDATED 2//2023**

**CHATTANOOGA HOUSING AUTHORITY**

801 N. Holtzclaw Ave.  
Chattanooga, Tennessee 37404

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### **ATTACHMENTS – Tab 9**

Attachment A – Reasonable Accommodation Policy and Forms

Attachment B – Effective Communications Policy

Attachment C – Limited English Proficiency and Language Access Plan

Attachment D – Family Self-Sufficiency Policy & Action Plan

# **ADMINISTRATIVE PLAN FOR THE HOUSING CHOICE VOUCHER PROGRAM (SECTION 8)**

The purpose of the Administrative Plan is to establish policies for carrying out the program in a manner consistent with HUD requirements and CHA policy. The Plan covers both admission and continued occupancy for the CHA Housing Choice Voucher Program.

## **SECTION I**

### **Program Overview**

The Chattanooga Housing Authority (CHA) administers the Housing Choice Voucher Program (Section 8). Effective October 1, 1999, the Quality Housing and Work Responsibility Act merged the Section 8 tenant-based programs into the Housing Choice Voucher (Voucher) Program. Administration of these programs is in compliance with the U.S. Department of Housing and Urban Development (HUD) regulations for each Section 8 Program, as specified in 24 Code of Federal Register (CFR), HUD directives, CHA policy and this Plan. CHA complies with all federal, state and local housing regulations. Definitions of terms used in this Administrative Plan are included in Definition of Terms for Housing Assistance Programs administered by CHA.

#### **A. Objectives of Housing Choice Voucher Program (Section 8)**

The objective of the Chattanooga Housing Authority is to provide decent, safe, affordable and sanitary housing to low income Families otherwise unable to obtain adequate housing. The number of Families served is limited only by the funding available through local, state and federal programs, CHA's budget, and the availability of adequate housing.

The Voucher Program (Section 8) provides participating Families with a greater choice of housing opportunities by subsidizing rent payments to private landlords. Through these programs, CHA helps low-income Families obtain quality housing within CHA's geographical jurisdiction. CHA's jurisdiction refers to all cities located in whole or in part in Hamilton County.

Through program administration, CHA will:

1. Ensure Housing Quality Standards are enforced for all units under contract in the Voucher Program (Section 8);
2. Offer all current and future Section 8 Voucher Program Families counseling and referral assistance on the following priority basis:
  - a. all Section 8 Voucher Families residing in a unit that is located in an area within which there is an uncorrected perimeter inspection or a unit in which payment to the Landlord is abated because of a failed inspection, and

- b. all other Section 8 Voucher Families;
- 3. Make every good faith effort to relocate a substantial percentage of its Section 8 Voucher Families into low-poverty and low-minority geographical areas in accordance with the CHA De-concentration Plan.

**B. Statutory and Regulatory Compliance**

The CHA will comply with all federal and state statutes and regulations as applicable in its administration of the Program addressed by this Plan including, but not limited to, 24 CFR Part 5, 24 CFR 982, 24 CFR 983, the Quality Housing and Work Responsibility Act of 1998 (“QHWRA”), the Privacy Act, the Rehabilitation Act of 1973, the Americans with Disabilities Act (“ADA”), Title VI of the Civil Rights Act of 1964, The Violence Against Women Act of 1994, and regulations promulgated by HUD relating to fair housing and equal opportunity.

## **SECTION II**

### **Non-Discrimination and Accessibility**

The Plan is designed to ensure that all applicants, voucher holders and landlords involved in the Program are treated fairly, equitably, and in compliance with applicable federal, state, and local laws and regulations.

#### **A. Fair Housing**

The CHA shall affirmatively further fair housing in the administration of the Program. [24 CFR 5.105(a), 24 CFR 903.7(o), 24 CFR 982.53]

The CHA shall not discriminate because of race, color, sex, religion, age, handicap, disability, ancestry, national origin, familial status, marital status, children, sexual orientation (homosexuality, heterosexuality, and/or bisexuality), gender identity (actual or perceived gender related characteristics) or veteran status in the administration of the HCV Program, or deny the benefits of, or otherwise discriminate, under the Program.

To further its commitment to full compliance with applicable civil rights laws, the CHA will provide federal/state/local information to applicants/participants of the Program regarding discrimination and any recourse available to them if they believe they may be victims of discrimination. Such information will be available at the CHA Central Office located at 801 N. Holtzclaw Ave., Chattanooga, TN. In addition, all CHA written information and advertisements will contain the appropriate Equal Opportunity language and logo.

The CHA will assist any family that believes it has suffered illegal discrimination by G34 providing copies of the appropriate housing discrimination forms. The CHA will also assist in completing the forms, if requested, and will provide the address of the nearest HUD Office of Fair Housing and Equal Opportunity. [24 CFR 982.304]

#### **B. VAWA – Violence Against Women Act**

It is the policy of the Chattanooga Housing Authority to comply fully with the federal Violence Against Women Act of 1994, as reauthorized in 2013 (“VAWA”). *[See Reasonable Accommodation found in Attachment A to this Plan.]*

The CHA shall make reasonable accommodations as required by law for handicapped/disabled persons to promote the objective of providing equal access to and participation in the Program. Except as otherwise provided in 24 CFR 8.21I(1), 8.24(a), 8.25 and 8.31, no individual with disabilities shall be denied the benefits of, be excluded from participation in, or otherwise be subjected to discrimination because the CHA’s facilities are inaccessible to or unusable by persons with disabilities.

The CHA will provide Requests for Reasonable Accommodation Forms at the Section 8 Voucher Program Office lobby for applicants and voucher holders who desire to request



an accommodation based on a disability. The CHA will make known the availability of these forms in Pre-certification Meetings, Voucher Issuance meetings, recertification briefings, newsletters and other CHA communications with those involved in the Program. ***The Reasonable Accommodation Policy and Forms can be found in Attachment A to this Plan.***

If the participant requests (as a reasonable accommodation) that he or she be permitted to make physical modifications to their dwelling unit (at their own expense), the request should be made to the property owner/manager. CHA does not have responsibility for the owner's unit and does not have responsibility to make the unit accessible. The CHA will also make auxiliary aids available in accordance with the ***Effective Communication Policy*** found in Attachment B to this Plan.

Any request for an accommodation that would enable a participant to materially violate family obligations will not be approved.

The CHA will appoint a staff member who will be responsible for reviewing all requests for accommodations and for responding to the requestors.

### **C. Other Services to Promote Accessibility to Programs**

When given notice of a need for an interpreter or translator, the CHA will endeavor to have bilingual staff available or access to people who can translate languages other than English in accordance with the ***Limited English Proficiency and Language Access Plan*** found in Attachment C to this Plan.

The CHA's offices are accessible to persons with disabilities. Accessibility for the hearing impaired is provided by TDD of Bell South. The TDD telephone number is (423) 752-0830.

Persons with disabilities who require a reasonable accommodation in completing an application or other requirement of the Program may call the CHA to make special arrangements.

## **SECTION III**

### **Marketing and Outreach**

Marketing and outreach efforts are used to provide the local community with awareness of the CHA’s various housing programs. The CHA will conduct outreach to the community to create an awareness of the availability of the Program to families of extremely low income, very low income and low income. The CHA shall maintain an adequate application pool, taking into consideration the availability of vouchers through turnover and waiting list characteristics.

The CHA will provide informational materials and/or presentations to prospective participants, prospective landlords, participants, landlords, neighborhood associations, groups, social service agencies and others upon request to provide information about eligibility criteria and other aspects of the Program.

The CHA will seek to reach potential applicants and landlords through advertising in local newspapers, including newspapers that serve minority populations as well as radio and television media when feasible. The Equal Housing Opportunity logo will be used in all advertisements.

The CHA will comply with the income targeting requirements of the QHWRA. Not fewer than 75% of new admissions will have income at or below 30% of the area median income. All other new admissions to the project-based program must be at or below 80% of the area median income. [24 CFR 982.201(b)(2), 24 CFR 983.251(c)(6)]

#### **A. Expanding Housing Opportunities**

The CHA encourages owners of units outside areas of poverty or minority concentration to participate in the Program. The CHA has identified locations in its jurisdiction as areas of poverty or minority concentration, based on information obtained from the Federal Register, the Chattanooga Area Chamber of Commerce, the United States Census Bureau and regulations governing the Program found at 24 CFR 982.

#### **B. Areas of Poverty**

The CHA has identified “areas of poverty” as the following locations where 40% or more families have a gross income that is at or below poverty level as defined by the U.S. Census Bureau. According to the 2005 American Community Survey from the U.S. Census Bureau, 9.2 percent of Hamilton County, Tennessee families have income below the poverty level.

Location	% Below Poverty Level	Census Tract Number
Erlanger-UTC	56.7	15
West Side	53.7	16
South Broad / Alton Park	61.2	19
South Side	82.8	20
Downtown	47.0	31

C. Areas of Minority Concentration

The CHA has identified “areas of minority concentration” as the following locations where 50% or more families are minorities within the stated zip code.

Location	% Minority	Zip Code
Erlanger-UTC	54.88	37403
Highland Park	66.82	37404
East Chattanooga	82.58	37406
South Broad	88.92	37408
Alton Park	90.81	37410
Brainerd	57.55	37411

The CHA will seek out and educate owners of units outside these areas of poverty or minority concentration by way of semi-annual landlord meetings. CHA representatives will join community organizations such as the Apartment Association, the Realtors Association and conduct other community outreach programs to develop relationships to support this effort to expand housing opportunities.

D. Required Postings

In the lobby of the CHA Central Office Lobby and at the Section 8 Housing Choice Voucher Program Office Lobby, the CHA will post, in a conspicuous place and at a height easily read by all persons including persons with mobility disabilities, a statement that the following information is available for review:

1. The Administrative Plan
2. Notice of the status of the waiting list (s) (opened or closed)
3. Address of all CHA offices, office hours, telephone numbers, TDD numbers and hours of operation
4. Income limits for admission to the Program
5. Informal review procedures
6. Utility allowance schedule
7. Fair Housing Poster
8. Equal Opportunity in Employment Poster
9. Any current CHA notice
10. UIV data gathering warning

## **SECTION IV**

### **CHA/Owner responsibility/obligation of the family**

This Section outlines the responsibilities and obligations of CHA, the Section 8 Owners/Landlords, and the participating families. Also, the responsibilities and obligations of the Owners/Landlords and participating families are in the briefing packet.

#### **A. CHA Responsibilities**

CHA will comply with the consolidated ACC, the application, HUD regulations and other requirements, and the CHA Section 8 Housing Choice Voucher Administrative Plan.

In administering the program, CHA will

1. Publish and disseminate information about the availability and nature of housing assistance under the program;
2. Explain the program to owners and families;
3. Seek expanded opportunities for assisted families to locate housing outside areas of low income and minority concentration;
4. Encourage owners to make units available for leasing in the program, including owners of suitable units located outside areas of low income and minority concentration. CHA will provide a resource list with owner names that accept rental assistance in non-concentrated areas. CHA will also distribute upon request a list of neighboring housing agencies with names, addresses, and phone numbers.
5. Affirmatively further fair housing goals and comply with equal opportunity requirements;
6. Make efforts to help persons with disabilities find satisfactory housing;
7. Receive applications from families, determine eligibility, maintain the waiting list, select applicants, issue a voucher to each selected family, and provide housing information to families selected;
8. Determine who can live in the assisted unit at admission and during the family's participation in the program;
9. Obtain and verify evidence of citizenship and eligible immigration status according to 24 CFR Part 5;

10. Review the family's *Request for Tenancy Approval* and the owner/landlord lease, including the HUD prescribed tenancy addendum;
11. Inspect the unit before the assisted occupancy begins and at least annually during the assisted tenancy.
12. Determine the amount of the housing assistance payment for a family;
13. Determine the maximum rent to the owner and whether the rent is reasonable;
14. Make timely housing assistance payments to an owner according to the HAP contract;
15. Examine family income, size, and composition at admission and during the family's participation in the program. The examination includes verification of income and other family information;
16. Establish and adjust CHA utility allowance;
17. Administer and enforce the Housing Assistance Payments Contract with an owner, including taking appropriate action as determined by CHA, if the owner defaults (e.g., HQS violation, side agreement, etc.);
18. Determine whether to terminate assistance to a participant family for violation of family obligations;
19. Conduct informal reviews of certain CHA decisions concerning applicants for participation in the program;
20. Conduct informal hearings on certain CHA decisions concerning participant families;
21. Provide sound financial management of the program, including engaging an independent public accountant to conduct audits;
22. Administer the mandatory FSS program.

## **B. Owner Responsibilities**

This Section states the obligations of an owner participating in the program.

The owner is responsible for performing all of the owner's obligations under the HAP contract and the lease. The owner is responsible for:

1. Performing all management and rental functions for the assisted unit, including selecting a voucher holder to lease the unit, and deciding if the family is suitable for tenancy of the unit.

2. Maintaining the unit according to HQS, including performance of ordinary and extraordinary maintenance.
3. Complying with equal opportunity requirements.
4. Providing information regarding direct deposit to bank; warranty deed or tax notice; Tax Identification Number or Social Security Number.
5. Preparing and furnishing to CHA information required under the HAP contract.
6. Collecting from the family:
  - a. Any security deposit required under the lease.
  - b. The tenant's contribution (the part of rent to owner not covered by the housing assistance payment).
  - c. Any charges for unit damage by the family.
7. Enforcing tenant obligations under the lease.
8. Paying for utilities and services (unless paid by the family under the lease.)

For provisions on modifications to a dwelling unit occupied or to be occupied by a person with disabilities see 24 CFR 100.203.

The owner is responsible for notifying CHA sixty (60) days prior to any rent increase. CHA reserves the right to deny rent increases to landlords based on funding availability or unit condition and rent reasonableness.

### **C. Obligations of the Family**

This Section states the obligations of a participant family under the program.

1. Supplying required information:
  - a. The family must supply any information that CHA or HUD determines is necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status. Information includes any requested certification, release, or other documentation.
  - b. The family must supply any information requested by CHA or HUD for use in a regularly scheduled reexamination or interim reexamination of family income and composition

according to HUD requirements.

- c. The family must disclose and verify Social Security numbers for all household members and must sign and submit consent forms for obtaining information.
  - d. Any information supplied by the family must be true and complete.
  - e. The family must report any changes in income, benefits, and family composition within 10 days of the occurrence. In addition, once a dependent in the household turns 18, the family must report this and any income for that household member within 10 days of the dependent turning 18.
2. HQS breach caused by the Family
    - a. The family is responsible for any HQS breach caused by the family or its guests.
  3. Allowing CHA Inspection
    - a. The family must allow CHA to inspect the unit at reasonable times and after at least two (2) days' notice. If the family misses the scheduled inspection and fails to reschedule the inspection, CHA will consider the family to have violated a Family Obligation and their assistance may be terminated. If the family calls to dispute the termination, one more chance will be given and the family will be obligated to sign a statement of understanding stating if they ever miss another appointment for inspection, they may lose their assistance.
  4. Violation of Lease
    - a. The family may not commit any serious or repeated violation of the lease. A family who causes \$500 in damages to a unit or commits serious or repeated violations of the lease may be terminated from the CHA Section 8 Housing Choice Voucher Program(s) and will be ineligible for CHA assisted housing for three years from the date of termination.

After three years, the family must demonstrate they have lived in the community without damaging property or eviction for serious or repeated violations of a lease to establish eligibility for CHA assisted housing.
    - b. The proof of the \$500 in damages will be derived from an itemized list of damages that coincides with paid receipts,

pictures, and/or court documentation provided by the property owner. The damage documentation must be provided within 60 days of move-out. During court negotiations, the family's assistance will not be terminated. After the final outcome is determined and it is determined the family owes more than \$500 in damages, the family assistance will be terminated.

- c. If the family receives an agreement through the court procedure to repay the owner for damages, the family assistance will not be terminated. If the family defaults on the repay agreement through the courts and the owner provides documentation of default, the assistance will be terminated at that time.
- d. If there are no court negotiations necessary to determine damages and the family and owner negotiate a repay agreement, the family assistance will not be terminated; however, if the family defaults and the owner can provide documentation of default, the family assistance will terminate at that time.
- e. A family who is evicted more than once for non-payment of rent or other serious or repeated violations of the lease may be terminated from the program. However, if the family pays the owner for the back rent within thirty (30) days of the eviction notice, the assistance will not be terminated. However, if terminated, the family will be ineligible for CHA assisted housing for three years from the date of termination. After three years, to establish eligibility for CHA assisted housing, the family must demonstrate they have lived in the community without eviction for non-payment of rent or other serious or repeated violations of the lease.

5. Family Notice of Move or Lease Termination

- a. The family must notify CHA and the owner before the family moves out of the unit or terminates the lease by a notice to the owner.

6. Owner Eviction Notice

- a. The family must promptly give CHA a copy of any owner eviction notice it receives.

7. Use and Occupancy of the Unit

- a. The family must use the assisted unit for a residence by the



family. The unit must be the family's only residence.

- b. CHA must approve the composition of the assisted family residing in the unit. The family must promptly inform CHA of the birth, adoption or court-awarded custody of a child. The family must request approval from CHA to add any other family member (family is defined as a group of people related by blood, marriage, adoption, or affinity that live together in a stable family relationship) as an occupant of the unit. No other person (i.e., no one but members of the assisted family) may reside in the unit (except for a foster child/foster adult, or live-in aide as provided in paragraph (4) of this Section).
- c. The family must promptly notify CHA if any family member no longer resides in the unit.
- d. If CHA has given approval, a foster child/foster adult, or a live-in aide may reside in the unit.
- e. Members of the household may engage in legal profit making activities in the unit, but only if such activities are incidental to primary use of the unit for residence by members of the family. Any business uses of the unit must have approval of the owner, comply with zoning requirements, and the affected household member must obtain all appropriate licenses.
- f. The family must not sublease the unit.
- g. The family must not assign the lease or transfer the unit.

8. Absence from the Unit

- a. The family must supply any information or certification requested by CHA to verify that the family is living in the unit, or relating to family absence from the unit, including any CHA requested information or certification on the purposes of family absences. The family must cooperate with CHA for this purpose. The family must promptly notify CHA of its absence from the unit for more than seven (7) days.
- b. Absence means that no member of the family is residing in the unit. The family may be absent from the unit for up to 30 days. The family must request permission from CHA for absences exceeding 30 days. CHA will make a determination within five (5) business days of the request. An authorized absence may not exceed 180 days. Any

family absent for more than 30 days without authorization will be terminated from the program. If there are extenuating circumstances, the PHA will review them on a case-by-case basis.

- c. Authorized absences may include, but are not limited to:
- Prolonged hospitalization
  - Absences beyond the control of the family (i.e., death in the family, other family member illness)
  - Other absences that are deemed necessary by CHA
  - Military personnel being deployed

9. Interest in the Unit

- a. The family may not own nor have any interests in the unit (except for owners of manufactured housing renting the manufactured home space).

10. Fraud and Other Program Violation

- a. The members of the family must not commit fraud, bribery, or any other corrupt or criminal act in connection with the program.

11. Crime by Family Members

- a. The members of the family may not engage in drug-related or violent criminal activity.

12. Other Housing Assistance

- a. An assisted family, or members of the family, may not receive Section 8 tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative (as determined by HUD or in accordance with HUD requirements) federal, state, or local housing assistance program.

## SECTION V

### Eligibility and Occupancy Policies

There are five eligibility requirements for admission to Section 8 -- qualifies as a family, has an income within the income limits, meets citizenship/eligible immigrant criteria, provides documentation of Social Security numbers, and signs consent authorization documents. In addition to the eligibility criteria, families must also meet CHA screening criteria to be admitted to the Section 8 Housing Choice Voucher Program.

#### A. Family type

1. A **family with or without children**. Such a family is defined as a group of people related by blood, marriage, adoption, or affinity that lives together in a stable family relationship.
  - a. Children temporarily absent from the home due to placement in foster care are considered family members.
  - b. Unborn children and children in the process of being adopted are considered family members for purposes of determining bedroom size but are not considered family members for determining income limit.
2. An **elderly family**, which is
  - a. A family whose head, spouse, or sole member is a person who is at least 62 years of age;
  - b. Two or more persons who are at least 62 years of age living together; or
  - c. One or more persons who are at least 62 years of age living with one or more live-in aides
3. A **near-elderly family** (if applicable), which is
  - a. A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62;
  - b. Two or more persons who are at least 50 years of age but below the age of 62 living together; or
  - c. One or more persons who are at least 50 years of age but below the age of 62 living with one or more live-in aides.

4. A **disabled family**, which is
  - a. A family whose head, spouse, or sole member is a person with disabilities;
  - b. Two or more persons with disabilities living together; or
  - c. One or more persons with disabilities living with one or more live-in aides.
5. A **displaced family** is a family in which each member, or whose sole member, has been displaced by governmental action, or whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws.
6. A **remaining member of a tenant family** is a family member who remains in the unit when other members of the family no longer reside in the unit and are removed from the lease.
7. A **single person** who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a tenant family.

## **B. Income Eligibility**

1. A Family is eligible for assistance under the Housing Choice Voucher Program (Section 8), according to 24 CFR, Part 5, if, at the time they initially received assistance under the Section 8 Voucher Program, the Family:
  - a. has been continuously assisted under the 1937 Housing Act with no breaks in assistance exceeding six consecutive months; or
  - b. qualifies as a Very Low-Income Family (including Extremely Low) under HUD's approved Income Limits; or
  - c. qualifies as a Lower Income Family (other than Very Low-Income) and is displaced by Rental Rehabilitation or Development activities assisted under Section 17 of the 1937 Act (42 U.S.C.), or as a result of activities under the Rental Rehabilitation Demonstration Program; or
  - d. qualifies as a Moderate-Income Family and is displaced while living in housing covered by the Low-Income Housing Preservation and Resident Homeownership Act of 1990.
2. Income limits apply only at admission and are not applicable for continued occupancy; however, as income rises the assistance will decrease.

3. The applicable income limit for issuance of a voucher is the highest income limit for the family size for areas within CHA jurisdiction. The applicable income limit for admission to the program is the income limit for the area in which the family is initially assisted in the program. The family may only use the voucher to rent a unit in an area where the family is income eligible at admission to the program.
4. Families who are moving into CHA's jurisdiction under portability and have not used their voucher to receive assistance at their initial housing agency must meet the income limit for the area where they were initially assisted under the program.
5. Families who are moving into CHA jurisdiction under portability and are already program participants at their initial housing agency do not have to meet the income eligibility requirement for CHA's program.
6. Income limit restrictions do not apply to families transferring units within CHA's Section 8 Housing Choice Voucher Program.

### **C. Citizenship/Eligible Immigrant status**

To be eligible, each member of the family must be a citizen, national, or a non-citizen who has eligible immigration status under one of the categories set forth in Section 214 of the Housing and Community Development Act of 1980 (see 42 U.S.C. 1436a(a)).

Family eligibility for assistance:

1. A family shall not be eligible for assistance unless every member of the family residing in the unit is determined to have eligible status, with the exception noted below.
2. Despite the ineligibility of one or more family members, a mixed family may be eligible for one of three types of assistance. (See Section 11.5(F) for calculating rents under the non-citizen rule).
3. A family without any eligible members and receiving assistance on June 19, 1995, may be eligible for temporary deferral of termination of assistance.

### **D. Social Security Number Documentation**

Prior to admission to the Section 8 Housing Choice Voucher Program, each family member must provide verification of their Social Security number. If a member of an applicant family indicates they have a Social Security number, but cannot readily verify it, the member may submit other documentation of the number. CHA will allow ten (10) working days from the date of application for the applicant to provide a Social Security card or verification of the Social Security number from Social Security Administration. The application will retain its position on the waiting list while the required documentation is being obtained. If the documentation is not provided within the allotted

time, the application will be denied.

New family members must provide verification prior to being added to the lease. Verification of the Social Security number will be obtained only once.

#### **E. Consent Forms**

1. To be eligible, each member of the family who is at least 18 years of age, and each family head and spouse, regardless of age, shall sign one or more consent forms.
2. The consent form must contain, at a minimum, the following:
  - a. A provision authorizing HUD and CHA to obtain from State Wage Information Collection Agencies (SWICAs) any information or materials necessary to complete or verify the application for participation or for eligibility for continued occupancy;
  - b. A provision authorizing HUD or CHA to verify, with previous or current employers, income information pertinent to the family's eligibility for, or level of, assistance;
  - c. A provision authorizing HUD to request income information from the IRS and the SSA for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits; and
  - d. A statement that the authorization to release the information requested by the consent form expires 15 months after the date the consent form is signed.

#### **F. Suitability for tenancy**

CHA determines eligibility for participation and will also conduct criminal background investigation on all adult household members, including live-in aides. CHA will deny assistance to a family because of drug-related or violent criminal activity by family members. This investigation will be made through state or local law enforcement or court records in those cases where the household member has lived in the local jurisdiction for the last three years. If the individual has lived outside the local area, CHA may contact law enforcement agencies where the individual had lived or request an investigation through the FBI's National Crime Information Center (NCIC).

CHA will ban for life any family member who has been convicted of manufacturing or producing methamphetamine (speed) in a public housing development or in a Section 8 assisted property.

CHA will check with the federal sex offender registration program and will ban for life any individual who is registered as a lifetime sex offender.

Additional screening is the responsibility of the owner. Upon the request of an owner/perspective owner, CHA will provide any factual information or third party written information it has relevant to a voucher holder's history of, or ability to, comply with material standard lease terms or any history of drug trafficking.

If an applicant previously abandoned a unit, they must prove they have not abandoned another unit in the last two (2) years.

## **SECTION VI**

### **Application Intake**

The CHA will provide public notice in advance of opening a waiting list to ensure that families are aware that they may apply for tenant-based and/or project-based assistance. The CHA will publish the notice in the Chattanooga Times Free Press, in available minority media of general circulation, and on local radio stations. The CHA will also provide written notice in the lobbies of the CHA Central Office and the Housing Choice Voucher Program (Section 8) Office. The notice shall state where and when to apply and will set forth any limitations on who may apply for the available vouchers. [24 CFR 982.206]

The notice will state that applicants already on waiting lists for other housing programs must apply separately for this program, and that such applicants will not lose their place on other waiting lists when they apply for the Section 8 Housing Choice Voucher Program. The notice will include the Fair Housing logo and slogan and otherwise be in compliance with Fair Housing requirements.

The CHA will determine the method that will be used for the opening of a waiting list. The CHA may elect to accept applications on a first come, first served basis. In such case, the CHA will date and time stamp an application upon receipt by the Housing Choice Voucher Program (Section 8) Office.

As an alternative, the CHA may elect to use a lottery system for the issuance of vouchers. The Executive Director or his designee is responsible for the determination of whether and when a lottery system will be used. In the event that the CHA elects to adopt and use a lottery system for the selection of applicants, the date and time of application will not apply, as said selection will be superseded by the lottery selection.

In the event that the CHA elects to use a lottery system, this intention will be declared and publicized in the CHA's advertisement of the upcoming opening of the waiting list(s). The CHA will accept the lottery form that contains name, address, phone number and other information of the applicant. Once the process is closed, a specified number of lottery winners will be chosen randomly and placed on the waiting list in order of lottery draw. They will be invited to come in to complete a full waiting list application once they reach the top of the waiting list. Those applicant forms that are not chosen in the lottery draw will be discarded and they will have to complete the lottery form again when the CHA opens the waiting list for another lottery. If an applicant submits more than 1 application (duplicate application) they will automatically be removed before waiting list selection.

#### **A. Outreach to Lower Income Families**

CHA will engage in outreach efforts directed toward potential Applicants, including Families that do not generally apply for assisted housing. CHA will conduct outreach on a continuous basis using the following marketing methods:

1. Use the Chattanooga Times Free Press newspaper, local minority papers



and local radio stations to advise the public of available housing opportunities;

2. Publish brochures, leaflets and/or handouts describing CHA's available housing assistance and make these publications available to the public;
3. Contact community groups/organizations and neighborhood papers to promote available housing programs;
4. Hold outreach meetings and seminars in neighborhoods where Hispanic, white and Asian populations predominate (Hispanic and Southeast Asian populations are less likely to apply for CHA housing assistance); and
5. As a reasonable accommodation, CHA will designate an onsite location and times for taking applications from those who need assistance completing the process.

#### **B. Opening and Closing of the Waiting List**

If the CHA determines that the existing waiting list contains an adequate pool for use of available program funding, the CHA may stop accepting new applications or may accept only applications meeting criteria adopted by the CHA. [24 CFR 982.206I]

Opening of the waiting list for all applicants or only for applicants meeting specific criteria can be at the discretion of and with approval by the Executive Director.

#### **C. Maintaining the Waiting List**

The application process requires the family to provide information about all household members including name, address, telephone number, composition, Social Security number, picture identification for all adult household members, racial or ethnic designation, income verification, citizenship/eligible immigrant information, and information establishing any preferences to which the family may be entitled.

An applicant is required to report a change of address in writing (or online if required) to the CHA to ensure that any correspondence is sent to the correct address.

#### **D. Organization of the Waiting List**

The waiting list will be maintained according to the following guidelines:

1. The application will be a permanent file;
2. All applications will be maintained in one central pool **in order of Lottery Draw Number**

Note: The waiting list cannot be maintained by bedroom size under current HUD

regulations.

#### **E. Families Nearing the Top of the Waiting List**

When CHA has vouchers available and is prepared to offer the vouchers to eligible applicants, the CHA will schedule an appointment with the family to collect the full application and all required verification documents. If the family is not eligible for the Section 8 Housing Choice Voucher Program, CHA must notify the family in writing of this determination and give the family the opportunity for an informal review.

#### **F. Income Targeting**

CHA may pull applicants out of order of preference and Lottery Draw Number to meet HUD Income Targeting requirements.

#### **G. Missed Appointments**

All applicants who fail to keep a scheduled appointment according to the paragraph below will be sent a notice of denial.

CHA will allow the family to be rescheduled for an appointment for good cause. No more than one opportunity will be given to be rescheduled without good cause, and no more than two opportunities for good cause. When a good cause exists, it must be provided within fifteen (15) days of the missed appointment. Any applicant whose name is being removed from the waiting list will be notified by CHA, in writing, that they have fifteen (15) days from the date of the written correspondence to request an informal review. The letter will also indicate that their name will be removed from the waiting list if they fail to respond within the timeframe specified.

Applicants will be offered the right to an informal review before being removed from the waiting list.

#### **H. Purging the Waiting List**

CHA will update and purge its waiting list at least annually to ensure that the pool of applicants reasonably represents interested families. Purging also enables CHA to update the information regarding address, family composition, income category, and preferences.

#### **I. Removal of Applicants from the Waiting List**

CHA will not remove an applicant's name from the waiting list unless:

1. The applicant requests that the name be removed;
2. The applicant fails to respond to a written request for information or a request to declare their continued interest in the program or misses scheduled appointments; or

## **J. Grounds for Denial**

In accordance with 24 CFR.982.553 and FR-4495-F-02, Screening and Eviction for Drug Abuse and Other Criminal Activity published May 24, 2001, CHA will conduct criminal background checks on all new Applicants for a period of five (5) years prior to the application date. CHA may use the services of a contractor to conduct residency research outside the state of Tennessee. CHA will use the following standards to deny admission to the Section 8 Housing Choice Voucher Program.

### **1. Drug-Related Eviction**

CHA will review residential history to determine if the Family has lived in federally assisted housing, and deny admission if any Family member was evicted from a federally assisted housing unit within five (5) years of the application date. An exception may be made if the member responsible for the eviction is no longer a member of the household due to imprisonment or death.

### **2. Illegal Drug Use**

CHA will deny admission to any Family if there is reason to believe that a Family member uses or sells any illegal drugs; or that a member's use of drugs will threaten other residents, cause damage to property, or generate police activity on or near the premises.

### **3. Drug-Related Criminal Activity**

Regardless of whether a Family member was arrested or convicted, if the preponderance of evidence indicates that the member engaged in the manufacture, sale or distribution of illegal drugs for a period of ten (10) years prior to the application date, admission may be denied.

Regardless of whether a Family member was arrested or convicted, if the preponderance of evidence indicates that the member engaged in the use and possession of illegal drugs for a period of five (5) years prior to the application date, admission may be denied. If evidence can be provided that the Family member has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully, the CHA may consider the Family for admission to the Section 8 Housing Choice Voucher Program. [24 CFR 982.552I(2)(iii)]

If criminal charges have not received a final disposition through the court system within 90 days from the date of the scheduled appeal hearing, the applicant's name will be withdrawn and they must re-apply once the waiting list is reopened.

4. Conviction for Methamphetamine Production

CHA will permanently deny admission if any Family member has been convicted for the manufacture of Methamphetamine on the premises of a federally assisted unit.

5. Sex Offenders

CHA will use the services of state and private agencies to check state registers for each state that the Family resided to ensure that no registered sex offenders are admitted to the program.

6. Alcohol Abuse

CHA may deny admission if there is reason to believe that any Family member has a pattern of abusing alcohol to the extent that it is a threat to other residents, will cause property damage, or generate police activity on or near the premises.

7. Violent Criminal Activity

Regardless of whether a Family member was arrested or convicted, if the preponderance of evidence indicates that the member engaged in any of the listed criminal acts, admission may be denied:

- a. Crime involving extreme physical force, such as forcible rape, murder, armed robbery, assault and battery through use of a weapon; or
- b. An activity involving the use of weapons against persons or property, such as armed robbery.

8. Other Crimes that Threaten the Health and Safety of Others

The following crimes are considered crimes of violence and commitment of such by a Family member is grounds for denial of admission:

- a. Voluntary manslaughter
- b. Kidnapping
- c. Mayhem
- d. Burglary
- e. Arson

f. Terrorist threats

g. Assault

9. Pattern of Negative Rental History

CHA may elect to conduct rental history checks for new Applicants. A negative rental history may prevent eligibility for the Section 8 Voucher Program if the Family has a history of violating the lease or disturbing the peaceful enjoyment of the premises. Information obtained from the rental history check may be shared with the potential landlord.

10. Public Housing Residents and Former Program Participants

Applicants transferring from CHA's public housing developments will be screened the same as new Applicants to the Section 8 Voucher Program. The record of former Section 8 Voucher participants will be researched for possible program violations. The following violations are grounds for denial of admission if they are within five (5) years of the violation:

a. While participating in the Section 8 Voucher Program the Family must not have violated any Family Obligation, as set forth in 24 CFR 982.551 as amended. An exception may be granted by CHA if the Family member who violated the Family Obligation is not a current member of the household on the application.

b. No Family member may have committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program in the last five (5) years.

c. The Family must have paid back any debt owed to CHA from a previous tenancy and/or other federal subsidized housing program (s). This would include the violation of any terms and agreements of the Public Housing Program. If money owed to CHA is not paid back within 90 days of being pulled from the waiting list, the applicant's name will be withdrawn and they must re-apply once the waiting list is reopened.

d. Waiting list applicants who are transitioning from Public Housing must provide proof that they have turned in keys and do not owe money to CHA when the executed lease is provided.

e. Families entering the Section 8 Voucher Program from CHA conventional housing programs must be in good standing under the terms of the CHA lease. The rent and other payments due under the lease must be current, and there must be no evidence of lease violations that would constitute grounds for termination.

- f. No Family member may have been evicted from public housing for non-payment of rent during the past five (5) years.
- g. No Family member may have engaged in or threatened abusive or violent behavior toward CHA personnel during the past five (5) years.

11. Notification of Ineligibility

CHA will notify all Applicants determined to be ineligible for assistance. Applicants will be notified in writing of the reason(s) for the determination. The letter will notify the Applicants of the right to request an Informal Review of the determination. All requests for Informal Reviews must be requested within fifteen (15) calendar days of the notification letter.

12. Informal Review

Applicants who refute a denial for admission to CHA housing programs will have the opportunity to present information and evidence to the Director of the Housing Choice Voucher Program in an Informal Review. The decision of the Director or his designee will be final.

If the Director or his designee determines that the Applicant is eligible, the Family's name will be placed on the Section 8 Voucher Program Waiting List without loss of position during the period of ineligibility, or issued a Voucher, whichever is appropriate. If that number/position on the waiting list has already been pulled for processing, the family will be placed at the top of the list to be pulled next.

If after conducting a review CHA determines that the Applicant is ineligible, staff will notify the Applicant in writing. This procedure does not prevent the Applicant from exercising his/her other rights if the Applicant believes he/she is being discriminated against on the basis of race, color, national origin, religion, sex, handicap, familial status or age. A copy of the application, the notification letters, the Applicants' response (if any), the record of any Informal Reviews and a statement of the final disposition will be maintained by CHA for a period of three (3) years. CHA shall notify the Applicant of his/her ineligibility and shall provide the Applicant an opportunity to dispute the accuracy and relevance of the record. A copy of the criminal record will be provided upon request.

## **SECTION VII**

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

Applicants will be selected to receive Section 8 rental assistance either as a special admission or as a waiting list admission.

#### **A. Special Admission**

Special admission is a non-waiting list admission relative to HUD awards of program funding targeted to families living in specified units. Examples of program funding that may be targeted for special admission include, but are not limited to:

1. A family displaced because of demolition, disposition or rehabilitation of a public housing development, for example by a HOPE VI project;
2. A family residing in a multifamily rental housing project when HUD sells, forecloses, or demolishes the project;
3. A non-purchasing family residing in a project subject to a home ownership program;
4. A family residing in a project covered by a project-based Section 8 Housing Assistance Payment (HAP) contract at or near the end of the HAP contract term;
5. An applicant in need of victim witness protection (this does not include domestic violence); Must be requested by local, state, and/or federal law enforcement organization and compelling written justification must be submitted for review. The voucher must be used outside of the CHAs jurisdiction of Hamilton County.
6. A SETHRA voucher participant who no longer needs case management but still needs housing assistance to prevent homelessness. Transferring these vouchers to CHA will free up SETHRA vouchers that can be utilized in areas outside of Hamilton County.
7. A participant in the VASH grant program who no longer needs the case management services required of this grant.
8. Non Elderly Persons with disabilities who are transitioning out of institutional or other segregated settings, at serious risk of institutionalization, homeless, or at risk of becoming homeless. CHA will accept referrals for this Special Admission from the FUSE ACT Team specifically and other service agencies with whom CHA has or establishes an MOU with. This will be a limited allocation of 100 vouchers.

9. A participant in the SRO grant program with The Partnership for Families, Children and Adults who no longer needs the case management and housing services provided by this grant, and who is in good standing with the SRO grant program. This grant is specifically for *homeless persons who are victims of domestic violence*.
10. Homeless persons and families who are referred from The Chattanooga Homeless Coalition through the Coordinated Entry System and/or from the City of Chattanooga's Homeless Services Program. This will be limited to an allocation of 150 vouchers. The referring agency, in agreement through an MOU with CHA, agrees to conduct continued client follow up throughout the pre-application, appeal, full application, voucher issuance and no less than 180 days after client lease up. Once housing stability is established, that person or family will be moved off of this allocation to allow for another homeless person or family in need.
11. A person who is a victim of domestic violence, dating violence, sexual assault or stalking who is referred to the CHA specifically from The Partnership for Families, Children and Adults Victim Support Services as a current participant in that Program or through a direct referral from the Domestic Violence Liaison with CHAs LIPH Program. The referring agency/liaison will determine if the referred client will be required to use the voucher outside of CHAs jurisdiction of Hamilton County or if they will be allowed to use the voucher within Hamilton County based on their individual situation.
12. A participant in the Family Unification Program (FUP) grant who no longer needs the case management services required of this grant and has been on a FUP voucher for no less than 1 year.
13. A participant in the Family Unification Program (FUP) whose children are removed from the household temporarily or permanently through no fault of the custodial parent.
14. A family which has been approved for an Administrative Transfer by the Director of Housing Operations who is transferring out of a Low-Income Public Housing Unit, a Project Based Rental Assistance Unit, or a Project-Based Voucher Unit.
15. A family who seeks admission to the Samaritan House Apartments administered by the Council for Alcohol and Drug Abuse Services.

A special admission permits selecting a family for assistance that is not on the Section 8 waiting list or without considering the family's waiting list position. Records are maintained that show that the family was selected for HUD-targeted assistance.



## **B. Waiting List Admission**

Except for special admissions, participants must be selected from the Section 8 waiting list. CHA will select families from the waiting list based on the following:

1. Date and Time of Waiting list application (if applications are taken based on date and time)
2. Number order of lottery draw (if applications are taken through a lottery system).

A final determination of eligibility is made when the Applicant's name is selected from the waiting list, and the income and family composition is verified using online and third-party methods. At that time, the Family's total household income may not exceed the current HUD Income Limits for the family size.

In accordance with Income Targeting requirements, seventy-five percent (75%) of the new admissions to the Section 8 Voucher Program must have incomes at or below 30% of the area median income (extremely low-income). CHA verifies the income of Families when they reach the top of the Waiting List to ensure that the Family's income is in the Extremely Low category.

Applicants are selected from the waiting list and sent an appointment letter to the address given at time of application, unless the applicant has updated their address with the Program. This letter will provide a date and time to appear for eligibility in accordance with the application date and time.

## **SECTION VIII**

### **Selection of Families for Special Section 8 Housing Choice Voucher Programs**

CHA operates special Section 8 Voucher Programs under special allocations and regulations provided specifically for each program. Applicants may be admitted for participation in special programs without being on the Section 8 Voucher Program Waiting List; or if the Applicant is on the Section 8 Voucher Program Waiting List, and eligible for selection for a special program, he/she may be selected before other Applicants. Applicants are admitted as a special admission when HUD awards funding that is targeted for specific types of Families.

The programs are outlined below.

#### **A. Mainstream Vouchers for Persons with Disabilities**

Participants in the Mainstream Housing for Persons with Disabilities Program are Persons with Disabilities who have moved out of one of CHA's elderly high rises, or Applicants on the Section 8 Voucher Program Waiting List who have a disability. Following admittance into the Housing Choice Voucher Program (Section 8), participants follow all Section 8 Voucher Program rules and regulations.

#### **B. Project-Based Vouchers for the Elderly and Persons with Disabilities**

Participants in the Project-Based Voucher for Persons with Disabilities Program agree to move into units designated for this program. The housing assistance is tied to the unit for the period of the contract; however, the CHA will issue a mobile voucher to heads of household who reside in the project-based unit for one year and who are residents in good standing. This program is covered in full in the Administrative Plan for the Section 8 Voucher Program Assistance Attached to Units (Project-Based Voucher Assistance).

#### **C. Shelter Plus Care & Single Room Occupancy (SRO)**

Participants in the Shelter Plus Care Programs and the SRO Program through The Partnership must meet the requirements set forth in those grants. They must follow all rules and regulations of the Section 8 Voucher Program with the exception of the following:

1. Minimum Rent does not apply;
2. Those with a criminal history are considered for admission on a case-by-case basis and may not be denied depending on the wrap around services they are receiving.

## **SECTION IX**

### **Required Eligibility Documents**

CHA will provide housing assistance to United States citizens and eligible immigrants only. A household with only one eligible member is considered a Mixed Family, and assistance will be provided for the eligible member only, although the non-citizens may reside in the household.

#### **A. Eligibility Documentation**

The Family must provide the following documents for each member as evidence of citizenship:

1. United States Citizens
  - A written and signed Declaration by each family member; and
  - A birth certificate; or
  - A United States passport; or
  - A Naturalization Certificate or proof of naturalization; or
2. Eligible Immigrants
  - A written and signed Declaration by each family member; and
  - One of the documents described in the form “Acceptable INS Documents, including a Resident Alien Card; and
  - A signed Verification Consent Form

#### **B. Other Required Information for Admission**

All Applicants must sign HUD’s Authorization to Release Information and disclose the social security number for each Family member. [24 CFR 5.216]

If at the end of a 60-day period, a Family member cannot provide the original Social Security card issued by the Social Security Administration, CHA will accept photo identification and one or more of the following documents:

1. A driver’s license with the social security number
2. Identification card issued by a federal, state or local agency
3. Identification card issued by an employer
4. Internal Revenue Form 1099
5. Benefit award letter from a government agency.

### **C. Family Relations Documentation**

CHA considers a Family to be made up of a group of individuals who intend to share common resources. [24 CFR 982.551] A Declaration of Household statement must be provided or signed. Any discrepancies or changes in reported household composition shall be verified by providing one or more of the following:

1. Birth Certificate (school records for elderly to verify DOB when BC is not available)
2. Certificate of birth issued by a physician, midwife, or hospital
3. Guardianship papers issued by a judiciary
4. Benefit Award Letter on behalf of a minor or disabled adult
5. Divorce decree
6. School records for minors

### **D. Other Eligibility Criteria and Execution of Consent Forms**

Applicants must meet or exceed the following additional eligibility requirements. Each member of the family who is at least 18 years of age shall sign one or more consent forms, 16 years of age for the criminal background check. The consent form(s) must contain, at a minimum, the following:

1. SWICA Authorization  
  
A provision authorizing HUD or CHA to obtain from State Wage Information Collection Agencies (SWICAs) any information or material necessary to complete or verify the application for participation or for eligibility for continued occupancy;
2. Employer Authorization  
  
A provision authorizing HUD or CHA to verify with previous or current employer's income and job related information pertinent to the family's eligibility for or level of assistance;
3. IRS and SSA Authorization  
  
A provision authorizing HUD to request income information from the Internal Revenue Service and the Social Security Administration for the sole purpose of verifying income information pertinent to the family's eligibility or level of benefits;
4. Criminal History Authorization  
  
A provision authorizing the CHA to conduct a criminal

background investigation of the applicant and each member of the applicant's family who is at least Sixteen (16) years old; and

5. Expiration Statement

A statement that the authorization(s) to release the information requested by the consent form expires fifteen (15) months after the date the consent form is signed. This provision will not apply to the Criminal History Authorization.

**E. Removal from the Waiting List**

Applicants who do not meet the basic eligibility requirements listed below at the eligibility appointment date will be removed from the list.

1. Income

The gross annual household income must not exceed the HUD-determined Income Limits for the Family size.

2. Eligible Family Member

At least one Family member must be a U.S. Citizen or Eligible Immigrant

3. Criminal Background Screening

All family members age Sixteen (16) and over will receive criminal history reviews.

4. The Head of Household is responsible for providing required documents within the sixty-day (60-day) allowed period.

# **SECTION X**

## **SUBSIDY**

The CHA thoroughly screens each individual applicant in accordance with HUD regulations and sound management practices to determine whether an applicant is both eligible and suitable for the Program. To demonstrate eligibility, an applicant must satisfy five separate eligibility requirements and show that he/she: (i) qualifies as a family, (ii) has income within the appropriate income limits, (iii) meets citizenship/eligible immigration criteria, (iv) provides documentation of Social Security numbers, and (v) meets or exceeds the eligibility and suitability selection criteria as described in 24 CFR 982.201.

CHA will determine the Family bedroom size and family contribution to rent in accordance with 24 CFR Subpart E and Subpart G, using third party, independent verification. Only the Housing Choice Voucher Program staff may change the subsidy size at annual recertification.

### **A. Subsidy Standards**

An eligible Family is determined based upon the members included on the original application and personally identified at the eligibility interview. All members must appear in person with photo identification if 18 years or older. Members that are not identified will not be considered as a member of the assisted household.

Once the Family composition has been determined, any change in household composition must be reported to and approved by CHA prior to admission. [24 CFR 982.551(h)]. Additions due to birth, adoption or court-awarded custody must be reported to CHA upon entering the household.

CHA will issue a voucher for a particular bedroom size – the bedroom size is a factor in determining the family’s level of assistance. The following guidelines will determine each family’s unit size without overcrowding or over-housing:

Number of Bedrooms	Number of Persons	Number of Persons
	Minimum	Maximum
0	1	1
1	1	2
2	2	4
3	4	6
4	6	8

These standards are based on the assumption that each bedroom will accommodate no more than two (2) persons.

In determining bedroom size, CHA will include the presence of children to be born to a pregnant woman, children who are in the process of being adopted, children whose custody is being obtained, and children who are temporarily away at school or temporarily in foster care.

Bedroom size will also be determined using the following guidelines:

1. Two (2) persons per bedroom will be considered to determine the bedroom size for the voucher for all family members except the Head of Household will automatically be allowed one bedroom. No more than two (2) persons will occupy a bedroom.
2. A bedroom will be allocated for an approved live-in-aide to provide medical assistance to an elderly or disabled Family member. The additional bedroom is only allocated for the live-in-aide – this does not include any dependents of that live-in-aide. See Section X, part D for detailed information regarding a live-in-aide.
3. A foster child will be considered in determining unit size only if he/she will be in the unit for more than twelve (12) months.
4. Children removed from the household and placed in foster care must anticipate returning within six (6) months.
5. Exception to the above standards may be granted if reasonable accommodation is deemed necessary.
6. A child who resides in the unit at least 50% of the time, due to a change in custody, will be considered when determining voucher size.
7. Exceptions to voucher size are allowed if the due date for a new baby is within 2 months of the annual re-certification or new contract/lease date for a new unit.

CHA will grant exceptions to normal occupancy standards when a family requests a larger bedroom-size voucher than the guidelines allow and documents a medical reason why the larger size is necessary. This request must be supported by the required reasonable accommodation documentation from the physician or medical professional. When a reasonable accommodation request is granted for a live in aide or for an extra bedroom for medical equipment, the inspector will validate at each inspection if the additional bedroom is still being used for the approved accommodation.

The family unit size will be determined by CHA according to the above guidelines and will determine the maximum subsidy for the family; however the family may select a unit that may be larger or smaller than the family unit size allocated as long as it does not exceed the affordability. If the family selects a smaller unit, the payment standard for the smaller size will be used to calculate

the subsidy. If the family selects a larger size, the payment standard for the family's voucher size will determine the maximum subsidy.

For families residing in units which are assisted with project-based vouchers, if CHA determines that the family is occupying a:

- a. wrong-sized unit, or
- b. unit with accessibility features that the family does not require, and the unit is needed by a family that requires the accessibility features, then CHA will notify the family and the owner of this determination, and CHA will make an offer of continued assistance for the family, in the form of:
  1. project-based voucher assistance in an appropriate-size unit (in the same or a different development); or
  2. other project-based housing assistance (e.g. by occupancy of a public housing unit); or
  3. tenant-based rental assistance under the voucher program; or
  4. other comparable public or private tenant-based assistance (e.g., under the HOME program).

If CHA offers the family the opportunity to receive tenant-based rental assistance under the voucher program, CHA will terminate the housing assistance payments for a wrong-sized or accessible unit at expiration of the term of the family's voucher (including any extension granted by CHA). If CHA offers the family the opportunity for another form of continued housing assistance (not in the tenant-based voucher program), and the family does not accept the offer, does not move out of the project-based voucher unit within a reasonable time as determined by CHA, or both, CHA will terminate the housing assistance payments for the wrong-sized or accessible unit, at the expiration of a reasonable period as determined by CHA.

## **B. Family Breakup and Remaining Family Member**

Under certain circumstances the original Family composition may alter due to the Head of Household leaving the household; or a breakup of a husband and wife with minor children.

If the Head of Household dies, and there is another adult Family member, the voucher assistance will pass to the Remaining Member, providing they meet eligibility requirements, who may then become the Head of Household. Another client number will be issued to the new Head for tracking purposes.

If there is not a remaining Family member who is already a member of that household and who has the legal capacity to enter into a lease under state and local law, the voucher assistance will terminate the month of the death or abandonment.

## **C. Split Family**



In cases of divorce or separation under a settlement or judicial decree, CHA will follow a court's ruling in determining which Family members continue to receive Section 8 Voucher Program assistance. Also of consideration will be:

1. The interest of any minor children, or ill, elderly or disabled Family members; and
2. whether Family members are forced to leave a unit as a result of actual or threatened physical violence against Family members by a spouse or other Family members of the household; and
3. who retains custody of the minor children, and provides housing for 51% or more of the time.

**D. Live In Aide**

**Definition of Live-in Aide: 24 CFR 5.403**

A person who resides with one or more elderly persons or nearly-elderly persons or persons with disabilities and who:

1. Is determined to be essential to the care and well-being of the persons;
2. Is not obligated for the support of the persons; and
3. Would not be living in the unit except to provide the necessary supportive services.

In accordance with this definition, a live-in aide is not a member of the assisted family and is not entitled to the HCV as the remaining member of the tenant family.

Occasional, intermittent, multiple or rotating care givers typically do not reside in the unit and would not qualify as live-in aides. Therefore, an additional bedroom will not be approved for a live-in aide under these circumstances.

**Essential Care:**

A medical doctor, psychiatrist, or a non-medical agency that provides services to people with disabilities, such as a Center for Independent Living will have to provide written documentation to CHA that the participant needs the services of a live-in aide. The recommendations should be from a professional that is familiar with the participant and have direct medical or professional experience in the areas related to the participant's disability.

The written documentation needs to define:

- the duration of the services (short-term or long-term care), and
- level of daily care that the person with a disability needs to be able to live in an
- independent apartment or home setting (i.e. hours of care needed in a 24 hour period), and
- skill level of live-in aide (i.e. any specialized medical certification or training needed by the live-in aide to meet the needs of the participant)

The written documentation needs to be on official letterhead from the medical professional or agency making the recommendation or it can be on CHAs certification form. The documentation need to be date within 60 days from the date that the services of the live-in aide will be required. The documentation should also give full contact information if CHA has questions concerning the recommendations. This documentation must be provided at each yearly re-examination.

### **Determining the Residence of the Live-in Aide**

CHA requires that the services of the live-in aid must be at an “arms-length transaction” between the participant and the live-in aide. The aid must not have been a member of the participant’s household prior to becoming the personal care aide.

### **Relatives as Live-In Aides**

A person that was or is a member of the participant’s household does not qualify as a live-in aide. If the participant wants to engage the services of a relative, CHA requires that the participant certify that:

- The live-in aide is qualified to provide the needed care
- There is no other reason for the aide to reside in the unit other than to care for the participant (i.e. the individual can demonstrate they have a previous residence they left in good standing)

### **Definition of Disabled Household: 24 CFR 5.403**

A disabled household is defined as a family whose head, spouse, or sole member is an adult with a disability. It may include two or more adults with disabilities (either related or unrelated) living together, or one or more adults with disabilities living with one or more live-in aides.

### **Eligibility and Screening of Live-in Aide**

CHA will conduct criminal background checks of all live-in aides that a participant(s) wishes to engage in services at the assisted rental unit. The

following criteria will be used to evaluate the live-in aide before and during the service of the live-in aide at the assisted unit.

1. No history of fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
2. No drug-related criminal activity or violent criminal activity
3. No debts owed for rent or other amounts to CHA or any other Public Housing Authority in connection with Section 8 HCVP or public housing assistance under the 1937 Act
4. Not subject to any lifetime registration requirements under a State Sex Offender Registration program
5. U.S. citizen or have eligible immigration status

### **Income Exclusions**

The income of all approved live-in aides will be excluded when calculating a household's income and determining the total tenant payment and subsidy amount. In addition, if the household is paying the live-in aide directly and receives funds specifically to cover the cost of these services, then this income will be excluded from the household income as well.

### **Allowances for Participant's Expenses**

If the household uses their own funds to pay the live-in aide to enable a family member (including the household member with a disability) to be employed, then these funds can be deducted from the medical expense deduction in the rent calculation. This is only if these funds are not reimbursed by other sources such as Medicaid or other insurance coverage.

### **Bedroom Size**

CHA will add an additional bedroom for an approved live-in aide if their services are required by the disabled participant for more than 6 hours per day. CHA will only approve one additional bedroom for a live-in aide. Although a live-in aide may have PHA-approved family member/s live with him/her in the assisted unit, no additional bedrooms will be provided for the family members of the live-in aide. CHA will ensure that housing quality standards (HQS) will not be violated and that there will be no more than two people per bedroom or living/sleeping space in the unit in accordance with 24 CFR § 982.401(d)(2)(ii). If the approval of additional family members of a live-in aide would result in the violation of HQS, the additional family members of the live-in aide may not be approved.

## **SECTION XI**

### **Family Briefing and Voucher Issuance**

All Families who are entering the Section 8 Voucher Program for the first time; and Porting Families entering CHA's jurisdiction will be briefed on the program regulations and CHA's policies. For Porting Family program participants, the briefing requirement shall not in any way impede the leasing process or placement.

#### **A. Conducting a Briefing Session and Issuing Materials to Voucher Holders**

Applicants and Porting Families are allowed two (2) appointments to attend a briefing session. Any Applicant who does not attend one of the two sessions will be denied assistance. Briefings are normally conducted as group sessions. When necessary, staff members will conduct individual briefings to accommodate the needs of the homebound or Persons with Disabilities. All new Section 8 Voucher Program Families are briefed in accordance with 24 CFR 982.301, as amended.

Fair Housing and social service organizations may provide presentations at the briefings with prior approval of the Director.

#### **B. Briefing Topics:**

1. A description of how the program works;
2. Family and owner responsibilities;
3. Where the family may rent a unit, including inside and outside the CHA's jurisdiction;
4. Types of eligible housing;
5. For families qualified to lease a unit outside of CHA's jurisdiction under portability, an explanation of how portability works;
6. An explanation of the advantages of living in an area that does not have a high concentration of poor families;
7. An explanation of the family's affordability rate
8. Specifications of any local obligations for Welfare-to-Work Voucher recipients

#### **C. Briefing Packet**

During the briefing, the CHA will provide the family with a packet of information on the

following topics:

1. The term of the voucher and the CHA's policy on extensions and suspensions of the term. The packet will include information on how to request an extension and forms for requesting extensions;
2. How the CHA determines the housing assistance payment and total tenant payment for the family;
3. Information on the payment standard, exception payment standard rent areas (if applicable), and the utility allowance schedule;
4. How the CHA determines the maximum rent for an assisted unit;
5. Where the family may lease a unit. For families qualified to lease outside the CHA's jurisdiction, the packet must include an explanation of how portability works;
6. The HUD-required tenancy addendum that provides the language that must be included in any assisted lease;
7. The Request for Tenancy Approval Form and an explanation of how to request CHA's approval of a unit;
8. A statement of the CHA's policy on providing information to prospective owners. This policy requires applicants to sign disclosure statements allowing the CHA to provide prospective owners with the family's current and prior addresses and the names and addresses of the landlords for those addresses. Upon request, the CHA will also supply any factual information or third party verification relating to the applicant's history as a tenant or their ability to comply with material standard lease terms or any history of drug-trafficking by a family member;
9. The CHA's subsidy standards, including when the CHA will consider granting exceptions to the standards;
10. The HUD brochure on how to select a unit ("A Good Place to Live");
11. The HUD-required lead-based paint brochure;
12. Information on federal, state, and local equal opportunity laws; the brochure "Fair Housing: It's Your Right;" and a copy of the housing discrimination complaint form;
13. A list of landlords, or other parties known to CHA, who may be willing to lease a unit to the family or help the family find a unit;
14. The family's obligations under the program;

15. The grounds upon which CHA may terminate assistance because of the family's action or inaction;

#### **D. Issuance of Voucher/Extending Voucher**

Once all family information has been verified, their eligibility determined, their subsidy calculated, and they have attended the family briefing, CHA will issue the voucher. At this point, the family begins their search for a unit.

The initial term of the voucher will be 60 days and will be stated on the Housing Choice Voucher.

CHA may grant one or more extensions of the term. To obtain an extension, the family must make a request in writing prior to the expiration date. If the family requests an extension and additional time can reasonably be expected to result in success, CHA will grant the length of request (sought by the family) or a new expiration date as determined by CHA.

If the family includes a person with disabilities, and the family requires an extension due to the disability, CHA will grant an extension allowing the family the full 120 days search time. If CHA determines that additional search time would be a reasonable accommodation, it may be granted with the proper documentation.

The voucher will be withdrawn if the Family fails to lease suitable housing during the term of the voucher. Expiration or withdrawal of a voucher does not preclude the Family from filing a new application for another voucher, provided CHA has not suspended the taking of applications.

#### **E. Request for Tenancy Approval**

When the family finds a unit that the owner is willing to lease under the program, the family and the owner will submit to CHA a completed *Request for Tenancy Approval* and a copy of the owner's proposed lease. CHA will permit the family to submit only one *Request for Tenancy Approval* (RFTA) unless the unit was not in compliance with Housing Quality Standards or the rent amount would exceed 40% of the family's adjusted income, or other circumstances beyond the family's control.

The terms of the HUD tenancy addendum shall prevail over any other provisions of the lease. CHA will review the request, the lease, and the HUD-required tenancy addendum and make an initial determination of approval of tenancy. CHA may assist the family in negotiating changes that may be required for the tenancy to be approvable. Once it appears the tenancy may be approvable, CHA will schedule an appointment to inspect the unit within 15 days after the receipt of inspection request from the family and owner. The 15-day period is suspended during any period the unit is unavailable for inspection. A unit must be available for inspection within thirty (30) days from the date of submitted *Request for Tenancy Approval*. Once inspected, the unit must pass inspection within thirty (30) days.

CHA will promptly notify the owner and the family whether the unit and tenancy are approved.

Additional screening is the responsibility of the owner. Upon request by an owner/perspective owner, CHA will provide any factual information or third-party written information they have relevant to a voucher holder's history of, or ability to, comply with standard material lease terms.

#### **F. Approval to Lease a Unit**

CHA will approve a lease if all of the following conditions are met:

1. The unit is eligible;
2. The unit is inspected by CHA and passes Housing Quality Standards (HQS);
3. The lease is approvable and includes the following language of the tenancy addendum:
  - a. The names of the owner and the tenant;
  - b. The address of the unit rented;
  - c. The term of the lease (initial term must be for 1 year and any provisions for renewal);
  - d. The amount of the monthly rent to owner;
  - e. A specification of what utilities and appliances are to be supplied by the owner, and what utilities and appliances are to be supplied by the family; and
  - f. The required HUD tenancy addendum;
4. The rent to owner is reasonable;
5. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
6. The owner has not been found to be debarred, suspended, or subject to a limited denial of participation by HUD or CHA; and
7. The family continues to meet all eligibility and screening criteria.

The lease term may begin only after all of the following conditions are met:

1. The unit passes the CHA HQS inspection;

2. The family's share of rent does not exceed 40% of their monthly adjusted income if the gross rent exceeds the applicable payment standard;
3. The landlord and tenant sign the lease to be effective no earlier than the date after the unit passed HQS inspection;
4. CHA approves the leasing of the unit; and
5. Utilities are turned on in the tenant's name (if tenant is responsible for utilities).

CHA will prepare the contract when the unit is approved for tenancy. The contract will be executed and become effective simultaneously with the signing of the lease and the HUD required tenancy addendum. CHA will not pay any housing assistance to the owner until the contract is executed. New owners must provide a warranty deed or tax notice, and Tax Identification Number or Social Security Number. Additionally, owners must provide a warranty deed or tax statement for units that have not previously been on the program.

If a voucher family moves with continued assistance, the term of the new assisted unit may begin during the month the family moves out of the old assisted unit. Overlap of housing assistance payment for old unit for month when family moves and first housing assistance payment for new unit is not considered a duplicative subsidy.

#### **G. CHA Disapproval of Owner**

***CHA requires participating landlords to abide by the Housing Assistance Payment (HAP) contract and enforce the lease agreement with the Family. Failure to abide by the HAP contract could result in penalties from abatement of HAP to permanent banning from participation.***

CHA may disapprove, bar or suspend a single unit, an apartment complex or landlord from participation in the Section 8 Housing Choice Voucher Program. The length of the penalty is left to the discretion of the Director in conjunction with the severity of the problem that causes the suspension.

CHA will deny participation by an owner at the direction of HUD for any of the following reasons:

1. The owner has violated any obligations under a Section 8 Housing Assistance Payments Contract;
2. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
3. The owner has engaged in drug-related criminal activity or any violent criminal activity;
4. The owner has a history or practice of noncompliance with HQS



for units leased under Section 8 or with applicable housing standards for units leased with project-based Section 8 assistance or leased under any other federal housing program;

5. The owner has a history or practice of renting units that fail to meet state or local codes;
6. The owner has not paid state or local real estate taxes, fines or assessments;
7. The owner refuses (or has a history of refusing) to evict families for drug-related criminal activity or for activity that threatens the health, safety, or right to peaceful enjoyment of the :
  - a. Premises by tenant, CHA employees, or owner employees; or
  - b. Residences of neighbors
8. If the owner is the parent, child, grandparent, grandchild, sister or brother, or any member of the family of an applicant seeking the initial use of a voucher (currently shopping) unless CHA determines that approving the unit would provide reasonable accommodation for a family member who is a person with disabilities;
9. The owner refuses Direct Deposit;
10. Other conflicts of interest under federal, state, or local law.

CHA will take the following actions for owners who already participate in the Housing Choice Voucher Program:

1. CHA will suspend a unit, an apartment complex or landlord for three (3) to twelve (12) months if:
  - a. Complex/unit consistently fails HQS inspections for failure of the Landlord to properly maintain the unit/complex in a decent, safe and sanitary manner; or
  - b. Landlord charges Families a security deposit that exceeds what is charged to unsubsidized renters.
2. CHA will ban a Landlord for a minimum of six months to permanently if:
  - a. the complex/Landlord charges assisted families extra rent or executes a “side agreement” for rent or other charges not approved prior to the execution of the HAP contract; or

- b. the Landlord commits fraud, bribery or any other corrupt or criminal act in connection with the Section 8 Voucher Program; or
  - c. the Landlord violates Section 8 Voucher Program regulations, the HAP contract or CHA policy; or
  - d. the Landlord engages in violent or drug related criminal activity; or
  - e. the Landlord has a history or practice of not complying with the HQS for units leased on the program; or
  - f. the Landlord has a history or practice of not enforcing the Lease; or
  - g. the Landlord has a history or practice of **not** terminating a family when the head-of-household, household member, guest or a person under the control of the household engages in activity that:
    - (1). threatens the right to peaceful enjoyment of the premises by other residents; or
    - (2). threatens the health or safety of other residents, or Landlord's employees or managers of Landlord's property; or
    - (3). threatens the health or safety of or the right to peaceful enjoyment of their residences, by persons living in the immediate vicinity of the premises.
3. CHA will suspend a unit, an apartment complex or landlord permanently or until verification of remediation by a licensed and accredited company certifies that the unit is free of the residual effects of:
- a. The manufacturing of methamphetamine which has occurred in the unit at any time.

## **SECTION XII**

### **Security Deposit**

The owner may collect a security deposit from the tenant in an amount not in excess of amounts charged in private market practice and not in excess of amounts charged by the owner to unassisted tenants.

When the tenant moves from the dwelling unit, the owner, subject to state or local law, may use the security deposit (including any interest on the deposit) according to the lease, as reimbursement for any unpaid rent payable by the tenant, damages to the unit, or for other amounts the tenant owes under the lease.

The owner must give the tenant a written list of all items charged against the security deposit and the amount of each item. After deducting the amount (if any) used to reimburse the owner, the owner must refund promptly the full amount of the unused balance to the tenant.

If the security deposit is not sufficient to cover amounts the tenant owes under the lease, the owner may seek to collect the balance from the tenant.

## **SECTION XIII**

### **Ineligible/Eligible Housing**

The following types of housing cannot be assisted under the Section 8 Tenant Based Housing Choice Voucher Program:

- A. A public housing or Indian housing unit;
- B. A unit receiving project-based assistance under a Section 8 program;
- C. Nursing homes, board and care homes, or facilities providing continual psychiatric, medical, or nursing services;
- D. College or other school dormitories;
- E. Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions; and
- F. A unit receiving any duplicate federal, state, or local housing subsidy. This does not prohibit renting a unit that has a reduced rent because of a tax credit.

CHA will approve leases for the following housing types:

- A. Single family dwellings
- B. Apartments
- C. Duplexes
- D. Townhouses
- E. Manufactured housing
- F. Modular homes
- G. Home ownership option (if applicable)

## **SECTION XIV**

### **Moves with Continued Assistance**

Participating families are allowed to move to another unit after the initial 12 months has expired or if CHA has terminated the HAP contract. CHA will issue the family another voucher if the family does not owe CHA money, has not violated a Family Obligation, has not committed serious or repeated violations of the lease (see Section 2.3.D.), and if CHA has sufficient funding for continued assistance. Families participating in the Housing Choice Voucher Program will not be allowed to move more than once in any 12-month period and under no circumstances will CHA allow a participant to improperly break a lease except under extraordinary circumstances.

#### **A. When a Family May Move**

Families on the Section 8 Voucher Program may move anywhere within the United States and U.S. territory. Families who wish to move out of CHA jurisdiction may do so utilizing the portability feature of their Voucher. The Family must provide a written notice of intent to vacate to the Landlord according to the Landlord's lease and provide a copy of such notice to the CHA.

After the Move Tenant notice is given, the Family must move from the unit or execute a Continued Occupancy document with the Landlord and present it to the Housing Choice Voucher Program (Section 8) staff. The Landlord must correct all deficiencies and pass the inspection before the HAP terminates. CHA will reestablish the HAP payments when the unit passes inspection, but will not make any retroactive payments for any period the unit did not meet HQS.

##### 1. Families Eligible for Relocation

Families who are currently receiving subsidy may relocate under any of the following conditions:

- a. The Family has resided in their present unit for at least twelve (12) months; or
- b. The Family has resided in their present unit for the time required under the most recent lease provided to CHA, and has given proper written notice of their intent to vacate to their Landlord and CHA; or
- c. The unit has failed a Housing Quality Standards (HQS) inspection and the Landlord failed to meet CHA deadline for correcting identified problems and/or failed to request a re-inspection of the unit; or
- d. The unit has been damaged or destroyed by fire or natural disaster; or

e. The Landlord does not wish to continue participation in the Section 8 Voucher Program (Federal regulations prohibit a Landlord from leaving the Section 8 Voucher Program during the first year of Family occupancy by a Section 8 Voucher recipient); or

f. CHA determines the Landlord has breached the contract; or

g. The Family has been evicted by the Landlord for reasons that do not violate the terms of their family obligations as set forth in 24 CFR 982.552, as amended.

2. Restriction on Moves

a. A Family may not relocate during the initial lease term.

b. CHA will limit the number of times a Family may search for housing to once every twelve (12) months, except:

(1). in circumstances where the unit is in violation of the Landlord's responsibilities under Housing Quality Standards; or

(2). the Family can no longer reside in the unit due to medical conditions verified by a physician.

(3). All others to be added will be reviewed and decided on a case-by-case basis.

c. Families in noncompliance with a promissory note and/or an agreement to repay a bad debt with CHA will not be permitted to move until the debt is brought current under the terms of the agreement.

d. CHA will not relocate Families evicted by a Landlord for serious or repeated violations of their lease agreement. If there are extenuating circumstances, they will be reviewed on a case-by-case basis.

e. Families must honor the notice of intent to vacate given to the Landlord as stipulated in the lease agreement. A new contract will not be executed prior to the month stipulated in the notice. Families who move early will be responsible for the rent to the Landlord until the new contract is executed.

f. CHA will pay the current Landlord the HAP through the end of the month the contract will terminate, unless the HAP has been abated.

g. The Family has not resided in their present unit for the required amount of time under their current lease, but has obtained the Landlord's written approval to terminate the lease due to extenuating circumstances

that require the Family to move. Such moves are based on conditions that threaten the safety and welfare of the Family (e.g., domestic violence), or changes in the family composition or for economic reasons (job change) and require the review and approval of the Director of Assisted Housing or his designee.

### 3. Family Absence from Unit

The Family is obligated to use the assisted dwelling unit for residence by members of the Family as listed on the HAP Contract and Lease. The unit must be the Family's only place of residence.

The Family may be absent from the unit for brief periods, not to exceed three (3) weeks in duration. Absence is defined to mean no member of the family is residing in the unit. If absence shall exceed three (3) weeks, approval must be obtained from the Director or his designee and may only be approved for other good cause.

### **B. Portability**

A family, whose head or spouse has a legal residence (or works) in the jurisdiction of CHA at the time the family first submits its application for participation in the CHA program, may lease a unit anywhere in the jurisdiction of CHA or outside CHA jurisdiction as long as there is another entity operating a tenant-based Section 8 program covering the location of the proposed unit.

If the head or spouse of the assisted family does not have a legal residence or work in the jurisdiction of CHA at the time of its application, the family will not have any right to lease a unit outside of CHA jurisdiction for a 12-month period beginning when the family is first admitted to the program. During this period, the family may only lease a unit located in the jurisdiction of CHA.

Families may only move to a jurisdiction where a Section 8 Program is being administered. For income targeting purposes, the family will count toward the initial housing agency's goals unless the receiving housing agency absorbs the family. If absorbed, the admission will count toward the receiving housing agency's goals.

If a family has moved from their assisted unit in violation of the lease, CHA will not issue a voucher and will terminate.

#### 1. Income Eligibility

- a. A family must be income-eligible in the area where the family first leases a unit with assistance in the Voucher Program.
- b. If a porting family is already a participant in the Initial Housing Agency's Voucher Program, income eligibility is not re-determined.

2. Portability: Administration by Receiving Housing Agency

- a. When a family utilizes portability to move to an area outside the Initial Housing Agency jurisdiction, another Housing Agency (the Receiving Housing Agency) must administer assistance for the family if that Housing Agency has a tenant-based program covering the area where the unit is located.
- b. A Housing Agency with jurisdiction in the area where the family wants to lease a unit must issue the family a voucher. If there is more than one such Housing Agency, the Initial Housing Agency may choose which Housing Agency shall become the Receiving Housing Agency.

3. Portability Procedures

- a. When CHA is the Initial Housing Agency:
  - (1). CHA will brief the family on the process that must take place to exercise portability. The family will be required to attend an applicant or movers briefing.
  - (2). CHA will determine whether the family is income-eligible in the area where the family wants to lease a unit (if applicable).
  - (3). CHA will advise the family how to contact and request assistance from the Receiving Housing Agency.
  - (4). CHA will, within ten (10) calendar days, notify the Receiving Housing Agency to expect the family.
  - (5). CHA will immediately mail to the Receiving Housing Agency the most recent HUD Form 50058 (Family Report) for the family, and related verification information.
  - (6). CHA may deny a portability request to a client that is requesting portability to a PHA whose payment standard exceeds CHA payment standard if the Receiving PHA will not absorb the client.

CHA may in certain circumstances deny a family the right to exercise a portability move keeping the following caveats in mind:

- Insufficient funding,
- Receiving PHA will not absorb the family, and
- The cost of the HAP is higher in the new jurisdiction & porting this family would keep the PHA from assisting a local family.



b. When CHA is the Receiving Housing Agency:

- (1). If funding is available under the consolidated ACC for CHA Voucher Program when the porting family is received, CHA will absorb the family into its Voucher Program. After absorption, the family is assisted with funds available under the consolidated ACC for CHA Tenant-Based Program.
- (2). CHA will issue a voucher to the family. The term of CHA voucher will not expire before the expiration date of any Initial Housing Agency's voucher. CHA will determine whether to extend the voucher term. The family must submit a Request for Tenancy Approval (RFTA) to CHA during the term of CHA voucher.
- (3). CHA will determine the family unit size for the porting family. The family unit size is determined according to CHA subsidy standards.
- (4). CHA will (within ten (10) calendar days) notify the Initial Housing Agency if the family has leased an eligible unit under the program or if the family fails to submit a *Request for Tenancy Approval* for an eligible unit within the term of the voucher.
- (5). If CHA opts to conduct a new reexamination, CHA will not delay issuing the family a voucher or otherwise delay approval of a unit unless the recertification is necessary to determine income eligibility.
- (6). To provide tenant-based assistance for porting families, CHA will perform all Housing Agency program functions, such as reexaminations of family income and composition. At any time, either the Initial Housing Agency or CHA may make a determination to deny or terminate assistance to the family according to 24 CFR 982.552.
- (7). CHA may deny or terminate assistance for family action or inaction according to 24 CFR 982.552 and 24 CFR 982.553.

4. Portability Billing

To cover assistance for a porting family, the Receiving Housing Agency may bill the Initial Housing Agency for housing assistance payments and administrative

fees. The billing procedure will be as follows:

- a. The receiving PHA must submit an initial billing notice (1) no later than 10 working days following the date the HAP contract was executed and (2) in time that it will be received no later than 60 days following the expiration date of the family's voucher issued by the initial PHA.
- b. As the Initial Housing Agency, CHA will make payment within 30 days of receipt of Part II of the Form 52665 indicating billing amount. The amount of the housing assistance payment for a porting family in the Receiving Housing Agency's program is determined in the same manner as for other families in the Receiving Housing Agency's program. The Receiving Housing Agency's Payment Standard is used except when CHA denies a portability request to a PHA whose payment standard exceeds CHA payment standard.
- c. The Initial Housing Agency will promptly reimburse the Receiving Housing Agency for 80% of the Initial Housing Agency's ongoing administrative fee for each unit month that the family receives assistance under the tenant-based programs and is assisted by the Receiving Housing Agency.
- d. The receiving PHA must notify CHA of any change in the billing amount as soon as possible (preferably before the effective date to avoid retroactive adjustments) but in no circumstances any later than 10 working days following the effective date of the change.
- e. CHA will ensure that subsequent billing amounts are received no later than the fifth working day of each month for which the monthly billing amount is due.

## SECTION XV

### Verification

CHA will verify information related to waiting list preferences, eligibility, admission, and level of benefits prior to admission. Before CHA issues a voucher, information must be updated (if more than sixty (60) days old) to verify that eligibility is current. Periodically, during occupancy, items related to eligibility and rent determination shall also be reviewed and verified. Household Income, assets, and expenses will be verified, as well as disability status, need for a live-in aide and other reasonable accommodations, full-time student status of family members 18 years of age and older, Social Security numbers, citizenship/eligible non-citizen status and any claimed medical expenses. Ages and relationship of household members will only be verified in those instances where needed to make a determination of level of assistance.

CHA will use HUD's Upfront Income Verification (UIV) tools, to the extent that tools/systems are available to CHA, to verify income information before or during a family's reexamination of household income. UIV tools to be used include, but are not limited to, the following:

#### **A. Verification Tools**

Due to the sensitive nature of UIV data, CHA will restrict access to and safeguard the information in accordance with HUD guidance on security procedures, as issued and made available by HUD. Verification documents will be kept in the applicant/tenant file, when needed, and shredded/destroyed when no longer needed. Files will be kept in a secure area that requires electronic key entry by CHA staff.

1. **Enterprise Income Verification (EIV) System** – A HUD-provided Internet-based wage and benefit tool that allows CHA to validate the accuracy of tenant-reported income through an independent source. EIV systematically and uniformly maintains income information in computerized form for subsidized household members. Once the individual's verification status is classified as verified, CHA will remove and destroy, by no later than the next annual re-exam of family income or composition, the copy of documentation referenced in Section 6 of PIH Notice 2010-3. Paper documentation will be destroyed by either shredding or burning. Electronic documentation will be destroyed by either erasing or deleting the file.
  
2. **Tenant Assessment Subsystem (TASS)** – A HUD-provided Internet-based benefit tool that matches Social Security (SS) and Supplemental Security Income (SSI) to comparable tenant data from PIC and TRACS databases.

## B. Types of Income

1. Gross wages and salaries (including overtime pay, commission, fees, tips, bonuses, and other compensation for personal services)
2. Unemployment compensation
3. Welfare benefits
4. Social Security benefits
  - a. Social Security (SS)
  - b. Supplemental Security Income (SSI)

Other income types (i.e., child support, pensions, etc.) may be verified using upfront income verification techniques if the resources are available.

## C. Using Verification Tools

1. **Using Up-Front Income Verification (UIV) to Project Income** – CHA will follow “HUD Guidelines for Projecting Annual Income When Up-Front Income Verification (UIV) Data Is Available” in handling differences between UIV and family-provided and/or other verified income information. The guidelines establish criteria on whether a difference is substantial or not. HUD defines *substantial difference* as a difference of \$200 or more per month.
  - a. **No Substantial Difference** – If UIV information for a particular income source differs from the information provided by a family by less than \$200 per month, CHA will follow these guidelines:
    - (1) If the UIV figure is less than current family-provided information, CHA will use the family’s information to calculate anticipated annual income.
    - (2) If the UIV figure is more than the family’s figure, CHA will use the UIV data to calculate anticipated annual income unless the family provides documentation of a change in circumstances (i.e., change in employment, reduction in hours, etc.) to explain the discrepancy. Upon receipt of acceptable family-provided documentation of a change in circumstances CHA will use the family-provided information.
  - b. **Substantial Difference** – If UIV information for a particular income source differs from the information provided by a family by \$200 or more per month, CHA will follow these guidelines:

- (1) CHA will request written third-party verification from the discrepant income source in accordance with 24 CFR 5.236(b)(3)(i).
- (2) When CHA cannot readily anticipate income (i.e., in cases of seasonal employment, unstable working hours, or suspected fraud), CHA will review historical income data for patterns of employment, paid benefits, and/or receipt of other income.
- (3) CHA will analyze all UIV, third-party, and family-provided data and attempt to resolve the income discrepancy.
- (4) CHA will use the most current verified income data (and historical income data, if appropriate) to calculate anticipated annual income.

2. **Verification of SS/SSI Benefits of Participants and Household Member** – CHA will obtain verification of SS/SSI benefits of participants and household members through SWICA and Enterprise Income Verification (EIV) System.

If benefit information is not available in HUD Systems or if the tenant disputes EIV benefit data, CHA will request a current, original SSA notice or benefit verification letter from each household member who receives Social Security benefits within 10 business days of CHA interview date. If the participant and/or household member(s) are unable to provide the requested document, CHA will ask the participant/household member(s) to call SSA at 1-800-772-1213 to request the document. The request for a benefit verification letter can also be made at the SSA Internet Website at [www.ssa.gov](http://www.ssa.gov). The participant/household member(s) should provide CHA with the original benefit verification letter. CHA will make a photocopy of the original benefit verification letter, return the original benefit verification letter to the participant/household member, and maintain the photocopy of the benefit verification letter in the tenant file. (This same process can be used when third-party verification of SS/SSI benefits is not available for applicants and/or their household members.)

3. **Documentation of Unavailability of Third-Party Verification of SS/SSI Benefits** –In the event that third-party verification is not available, CHA will document the tenant file as to why third-party verification was not available. Below are some examples of acceptable file documentation:
  - a. New admission, information not available through HUD systems – will need to be pulled within 90 days of admission and then we will have 30 days to resolve the discrepancies in income.
  - b. Current tenant, information not available through HUD systems due to change in re-examination date
  - c. Current tenant, information not available through HUD systems due to discrepancy with name, date of birth, or social security

- number in SSA file
- d. Current tenant, information not available through HUD systems, reason unknown – they are special vouchers not submitted to PIC. Examples are SRO and SPC.

#### **D. Methods of Verification and Timelines**

CHA will verify family information through the five methods of verification authorized by HUD.

1. HUD requires CHA to use the most reliable form of verification that is available and to document in the file the reasons when CHA uses a lesser form of verification. In order of priority, forms of verification that may be used are:
  - a. Enterprise Income Verification (EIV), when available
  - b. Third-party written
  - c. Third-party oral
  - d. Review of documents – family supplied
  - e. Self-certification/declaration
2. CHA will allow seven (7) days for return of third-party verifications and ten (10) business days to obtain other types of verifications before stepping down to the next verification method.
3. Verifications may not be more than 90 days old at the time of voucher issuance. For participants, verifications must be dated within 90 days of reexamination.
4. There may be legitimate differences between the information provided by the family and EIV-generated information. No adverse action will be taken against a family until CHA has independently verified the EIV information and the family has been granted an opportunity to contest any adverse findings through the informal review/hearing process of CHA.

#### **E. Levels of Verification**

Age, relationship, U.S. citizenship, and Social Security numbers will generally be verified with documentation provided by the family. All adult (18+) household members are required to sign appropriate forms authorizing release of information to the CHA.

1. **Third-party written verification** will be used to confirm information directly with the source. Third-party written verification forms will be sent directly to, and received directly from (via first-class mail), the source and not passed through the hands of the household. However, CHA may request and receive directly from the source verifications that are faxed, emailed, or

hand delivered. If third-party verification is received after lower level documents have been accepted as provisional verification and there is a discrepancy, CHA will utilize the third-party verification.

2. **Third-party oral verification** will be used when written third-party verification is delayed or not possible. When third-party oral verification is used (either by contacting source by telephone or in-person visit), staff will be required to note the name of the person contacted and telephone number, the date of the conversation, and the facts provided. If provided by telephone, CHA must originate the call.
3. **Review of Documents:** When third-party written or oral verification cannot be obtained, or the information has not been verified by the third party within the allotted time, CHA will note in the file why third-party verification is not available and utilize hand-carried documents provided by the applicant/participant family as the primary source if the documents provide complete information. Original documents must be provided by the family and should be dated within 60 days of the interview. Photocopies of the documents will be made and maintained in the file. The chart in the Appendix gives common examples of verifications.

**Below is a list of some acceptable family-provided documents:**

- a. 3 current Consecutive and original pay stubs if paid biweekly and 6 if paid weekly
  - b. Social Security Administration award letter
  - c. Bank statements (3 Checking; 1 Savings)
  - b. Pension benefit statements
  - c. TANF award letter
  - d. Other official and authentic documents from a Federal, State, or local agency.
  - g. Life Insurance – table of maturity with policy number
4. **Self-Certification/Self-Declaration:** When verification cannot be made by third-party verification or review of documents, household members will be required to submit a self-certification. Self-certifications must be signed in the presence of a CHA representative, or a notary public. CHA will document in the file why third-party verification was not available.
  5. **Exceptions to Third-Party Verification Requirements:** When third-party verification of income, assets, and/or expenses is unavailable, an exception may be made to the third-party verification requirement if:
    - a. CHA made at least two unsuccessful documented attempts to obtain third-party verification.

- b. The source does not have the capability to provide written or oral third-party verification.
- c. The asset or expense to be verified is an insignificant amount (less than \$5,000), thus it is not cost effective or reasonable to obtain third-party verification.
- d. **Tenants with assets below \$5,000 – the CHA will allow tenants to self-certify as to assets of less than \$5,000 and the income expected to be received from those assets (24CFR 5.609(b)(3), 982.516(a)(2)(ii), 960.259(c).**

#### **F. Verification of Medical Expenses**

To verify medical expenses, CHA will attempt third-party verification of medical expenses from appropriate sources. If third-party verification is not available, CHA will request the tenant to provide original documents such as receipts, cancelled checks, or paycheck stubs for verifying medical insurance premiums. Also the tenant will be asked to provide receipts for payments for medical costs to physicians, pharmacies, and durable medical equipment providers. Previous medical bills that have been paid in full **will not** be considered.

#### **G. Verification of U.S Citizenship or Eligible Non-Citizen Status**

The U.S. citizenship/eligible non-citizen status of each family member regardless of age must be determined. U.S. Citizenship status will be verified only once. This verification will be obtained prior to admission and prior to a new member joining the resident family. Eligible non-citizen status will be verified at admission and annually thereafter.

1. Prior to being admitted, all citizens and nationals will be required to sign a declaration under penalty of perjury. (They will be required to show proof of their status by such means as Social Security card, birth certificate, military ID or military DD 214 Form.)
2. Prior to being admitted, all eligible noncitizens who are 62 years of age or older will be required to sign a declaration under penalty of perjury. They will also be required to show proof of age.
3. Prior to being admitted, all eligible noncitizens must sign a declaration of their status and a verification consent form and provide their original INS documentation. CHA will make a copy of the individual's INS documentation and place the copy in the file. CHA also will verify their status through the INS SAVE system. If the INS SAVE system cannot confirm eligibility, CHA will mail information to the INS so a manual check can be conducted on INS records.
4. Family members who do not claim to be citizens, nationals, or eligible non-citizens must be listed on a Statement of Non-eligible Members, and the list must be signed by the head of the household. Any family member who does not choose to declare their status must be listed on the statement of non-eligible members.



5. Non-citizen students on U.S. student visas, though in the country legally, are not eligible to be admitted to the Housing Choice Voucher Program.

If no family member is determined to be eligible under this Section, the family's admission will be denied.

The family's assistance will not be denied, delayed, reduced, or terminated because of a delay in the process of determining eligible status under this Section, except to the extent that the delay is caused by the family.

If CHA determines that a family member has knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens on the list) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such household members will not be eligible to be re-admitted to Section 8 for a period of 24 months from the date of termination.

## **H. Verification of Social Security Numbers**

1. Prior to admission, each family member must provide verification of their Social Security number as stated in PIH Notice 2010-3. If a member of an applicant family indicates they have a Social Security number, but cannot readily verify it, the member may submit a written certification of the number. CHA will allow sixty (60) calendar days from the date of application for the applicant member to provide the required documentation. The application will retain its position on the waiting list while the required documentation is being obtained. If the documentation is not provided within the allotted time, the application will be denied. New family members must provide verification prior to being added to the voucher. Verification of the Social Security number will be obtained only once.
2. The preferred method to verify the Social Security number is the original Social Security card. If the card is not available, CHA will accept letters from the Social Security Administration that establish and state the number. Documentation from other governmental agencies will also be accepted that establish and state the number. Drivers' license, military ID, passports, or other official documents that establish and state the number are also acceptable.

## **I. Timing of Verification**

1. Eligibility information must be updated (if more than sixty (60) days old) to verify that an applicant is eligible. Verification information for tenants must be dated within ninety (90) days of their reexamination. If the verification is older than ninety (90) days, the source will be contacted and asked to provide information regarding any changes.
2. When an interim reexamination is conducted, CHA will verify and update all information related to family circumstances and level of assistance.

## **Section XVI**

### **Compliance Investigations**

#### **A. Overpayment of Rent by the Participant**

1. CHA shall process an interim re-certification if necessary to correct any underpayment of subsidy or UAP due to miscalculation of income.
2. An adjustment of Subsidy and/or UAP shall be issued and processed to the effective date of the re-certification where the discrepancy of income and overpayment of subsidy and/or UAP and/or Subsidy is first charged.
3. Accounting shall issue a check to the participant in the amount of the overpayment no later than 30 days following processing of the adjustment for the period of overpayment.

#### **B. Repayment Agreements**

1. Cases with suspected loss of \$300 or less must be paid in full within 60 days. Cases with suspected loss of less than \$1,999 may be referred for administrative resolution (repayment plan) upon conclusion of the investigation. The balance owed will be divided into payments over a 12-month period. However, the CHA has the discretion to extend the repayment period beyond the usual 12-months if necessary to ensure that monthly repayment amounts are reasonable based on the tenant's financial situation. If the tenant is in default of the repayment agreement (more than 30 days late on a payment), the repayment agreement is voided and the balance is due in full. At the discretion of the Director of the Housing Choice Voucher Program and on a case by case basis, an extension may be granted not to exceed an additional 30 days of default.
2. If the participant fails to request a fraud hearing, termination of subsidy and/or UAP will be enforced as noted in the 30 Day Termination of Subsidy Notice letter and the total amount due with reasonable collection and legal fees added will be referred for collection and/or the case shall be referred to the CHA Public Safety Department who will initiate a criminal investigation and if warranted refer the case to the Hamilton County Grand Jury, Inspector General's office or other law enforcement agency for prosecution..
3. If the participant fails to make the full down payment in the required time, termination of subsidy and/or UAP will be enforced as noted in the 30 Day Termination of Subsidy Notice letter and the total amount due with reasonable collection and legal fees added will be referred for collection and/or the case shall be referred to the CHA Public Safety

Department who will initiate a criminal investigation and if warranted refer the case to the Hamilton County Grand Jury, Inspector General's office or other law enforcement agency for prosecution..

4. If at any time the participant fails to make a scheduled payment within 30 days of the payment due date, the entire balance shall become due and the participant will be notified of termination of subsidy and/or UAP. If any amount is unpaid as of the date of termination of subsidy and/or UAP, the total amount due (with reasonable collection and legal fees added) will be referred for collection.
5. A participant will only be given 1 opportunity to enter into a repayment agreement with CHA for fraud amounts owed and remain on the program. If there is another instance of unreported income, assistance will be terminated.

### **C. Prosecution**

1. In any instance where investigation indicates that the fraudulent activity has resulted in a loss of over \$2,000 and/or that the fraudulent activity was due to willful or deliberate misrepresentation, the case may be referred to the Hamilton County District Attorney's Office or the United States Attorney's Office for prosecution. CHA will request that the subject of the investigation be ordered to pay full and complete restitution of all monies stolen as a result of the fraud upon finding or plea of guilt in state or federal court. In order to avoid prosecution, the tenant will pay the amount required to bring the overall amount owed below \$2,000. The tenant will then be given the opportunity to repay the remainder through a repayment agreement with the CHA. CHA reserves the right to deal with each of these cases on an individual basis and may seek repayment as an alternative to prosecution depending on the facts and circumstances involved.

### **D. File Documentation**

CHA will document in the file how the figures used in income and rent calculations were determined. All verification attempts, information obtained, and decisions reached during the verification process will be recorded in the family's file in sufficient detail to demonstrate that CHA has followed all of the verification policies set forth in this plan. The record should be sufficient to enable a staff member or HUD reviewer to understand the process followed and conclusions reached. Applicant/participant records/files will be retained by CHA for a period of not less than three (3) years.

### **E. – Debts owed to PHAs will be listed in EIV**

Debts owed to PHAs will be listed in EIV for all housing authorities to see and act upon.



## **Section XVII**

### **Rent and Housing Assistance Payment**

#### **A. Rent Reasonableness**

Program regulation requires CHA to certify that the rent charged to the housing choice tenant is not more than the rent charged for other unassisted comparable units. CHA will not approve an initial rent (or a rent increase) in any of the tenant- or voucher-based programs without determining that the rent amount is reasonable. Reasonableness is determined prior to the initial lease (or at the initial HAP contract in the case of project-based voucher units) and at the following times:

1. Before any increase in rent to owner is approved, owner must give a sixty (60) day notice of increase in rent to CHA and tenant. The rent increase request must be received prior to the annual inspection of the assisted property. If the annual inspection has been completed more than 30 days from the date the rent increase is requested, the owner may be required to wait until the next annual inspection date to increase the rent. CHA reserves the right to deny an increase in rent based on funding availability;
2. If sixty (60) days before the contract anniversary date there is a 5 percent decrease in the published Fair Market Rent (FMR) as compared to the previous FMR; and
3. If CHA or HUD directs that reasonableness be re-determined.

#### **B. Comparability**

In making a rent reasonableness determination, CHA will compare the rent for the unit to the rent of comparable units in the same or comparable neighborhoods. CHA will consider the location, quality, size, number of bedrooms, age, amenities, housing services, maintenance, and utilities of the unit and the comparable units.

The rent reasonableness procedures are as follows:

Addresses of unassisted units throughout CHA jurisdiction are added to a databank. The reasonable rent for subject units is determined by requesting three units from the databank that match the subject unit's zip code, bedroom and bath size and square footage. The program will select the units that most closely match the subject unit. If comparables cannot be obtained from the database, other sources will be utilized such as the newspaper, internet other unassisted units from that property owner. The comparable data includes the value of utilities included in the rent, the value of amenities, and the monthly rent. If the requested rent for the subject unit is within the range of the rent of the comparables, the rent is reasonable.

Owners of projects with more than 4 units must complete the section on the back of the Request for Tenancy Approval (RFTA), and list three recently leased comparable unassisted units within the premises.

The owner must certify the rents charged for other units. By accepting the housing assistance payment each month, the owner is certifying that the rent to owner is not more than the rent charged by the owner for comparable unassisted units in the premises. For units assisted under the Low Income Housing Tax Credit program, rents will not exceed the maximum permitted under applicable IRS and HUD laws and regulations.

### **C. Maximum Subsidy**

The Fair Market Rent (FMR) published by HUD or, if applicable, the exception payment standard rent (requested by CHA and approved by HUD) determines the maximum subsidy for a family.

For the Housing Choice Voucher Program, the minimum payment standard will be 90 percent of the FMR and the maximum payment standard will be up to 120 percent of the FMR without prior approval from HUD, or the exception payment standard approved by HUD.

### **D. Setting the Payment Standard**

The Statute requires that the payment standard be set by CHA at between 90 and 110 percent of the FMR without HUD approval. CHA will review its determination of the payment standard annually after publication of the FMRs. CHA will consider vacancy rates and rents in the market area, rents for units leased under the program, success rates of voucher holders in finding units, and the percentage of annual income families are paying for rent under the Housing Choice Voucher Program. If it is determined that success rates will suffer or that families are having to pay over 40 percent of income for rent, the payment standard may be raised to the level judged necessary to alleviate these hardships.

Payment standards will not be raised solely to allow the renting of luxury quality units. Before increasing any payment standard, CHA will conduct a financial feasibility test to ensure that in using the higher standard, adequate funds will continue to be available to assist families in the program.

If Payment Standards are increased, the higher payment standard is used in calculating the HAP at the time of the family's regular annual reexamination. Families requiring or requesting interim reexaminations will *not* have their HAP payments calculated using the higher payment standard until their next annual reexamination.

If success levels are projected to be extremely high and rents are projected to be at or below 30 percent of income, CHA will reduce the payment standard. Payment standards for each bedroom size are evaluated separately so that the payment standard for one-bedroom size may increase or decrease while another remains unchanged. CHA may consider adjusting payment standards at times other than the annual review when circumstances warrant.

CHA may opt to lower payment standards. A lower payment standard applies immediately to all new admissions, all movers, and stayers with a new HAP contract (e.g., when the owner offers or requires a new lease). For all other voucher participants, decreased payment standard amounts are not applied until the second regular reexamination after the payment standard is lowered. CHA may request HUD to waive this requirement, for good cause.

If Payment Standards are lowered because of insufficient funding, the following will be excluded: elderly families, disabled families, Family Self-Sufficiency families, and Section 8 homeowner families.

#### **E. Area Exception Rents (If Applicable)**

To help families find housing outside areas of high poverty or when voucher holders are having trouble finding housing for lease under the program, CHA may request that HUD approve an exception payment standard rent for certain areas within its jurisdiction. The areas may be of any size, though generally not smaller than a census tract. CHA may request one such exception payment standard area or many. Exception payment standard rent authority may be requested for all or some unit sizes or for all or some unit types.

When an exception payment standard rent has been approved and the FMR increases, the exception rent remains unchanged until such time as CHA requests (and HUD approves) a higher exception payment standard rent. If the FMR decreases, the exception payment standard rent authority automatically expires.

#### **F. Assistance and Rent Formulas**

##### **1. Total Tenant Payment**

The total tenant payment is equal to the highest of:

- a. 10 percent of monthly income
- b. 30 percent of adjusted monthly income
- c. Minimum rent

Plus any rent above the payment standard.

##### **2. Minimum Rent.**

CHA has set the minimum rent as **\$50** for the Section 8 Housing Choice Voucher Program. If the family requests a hardship exemption, CHA will suspend the minimum rent for the family beginning the month following the family's hardship request. The suspension will continue until CHA can determine whether hardship exists and whether the hardship is of a temporary or long-term nature. During suspension, the family will not be required to pay a minimum rent and the Housing Assistance Payment will be increased accordingly.

- a. ***A hardship*** exists in the following circumstances:
  - (1). When the family has lost eligibility for (or is awaiting an eligibility determination for) a federal, state, or local assistance program;
  - (2). When the family would be evicted as a result of the imposition of the minimum rent requirement;
  - (3). When the income of the family has decreased because of changed circumstances, including loss of employment;
  - (4). When the family has an increase in expenses because of changed circumstances, for medical costs, child care, transportation, education, or similar items;
  - (5). When a death has occurred in the family.
- b. ***No hardship.*** If CHA determines there is no qualifying hardship, the minimum rent will be reinstated, including requiring back payment of minimum rent to CHA for the time of suspension.
- c. ***Temporary hardship.*** If CHA determines there is a qualifying hardship, but that it is of a temporary nature, the minimum rent will not be imposed for a period of 90 days from the date of the family's request. At the end of the 90-day period, the minimum rent will be imposed retroactively to the time of suspension. CHA will offer a reasonable repayment agreement for any minimum rent back payment paid by CHA on the family's behalf during the period of suspension.
- d. ***Long-term hardship.*** If CHA determines there is a long-term hardship, the family will be exempt from the minimum rent requirement until the hardship no longer exists.
- e. ***Appeals.*** The family may use the informal hearing procedure to appeal CHA determination regarding the hardship. No escrow deposit will be required in order to access the informal hearing procedures.

3. Rent for Families under the Non-citizen Rule

A mixed family will receive full continuation of assistance if all of the following conditions are met:

- a. The family was receiving assistance on June 19, 1995;
- b. The family was granted continuation of assistance before November 29, 1996;



- d. The family's head or spouse has eligible immigration status; and
- e. The family does not include any person who does not have eligible status other than the head of household, the spouse of the head of household, any parent of the head or spouse, or any child (under the age of 18) of the head or spouse.

If a mixed family qualifies for prorated assistance but decides not to accept it, or if the family has no eligible members, the family may be eligible for temporary deferral of termination of assistance to permit the family additional time for the orderly transition of some or all of its members to locate other affordable housing. Under this provision the family receives full assistance. If assistance is granted under this provision prior to November 29, 1996, it may last no longer than three years. If granted after that date, the maximum period of time for assistance under the provision is 18 months. CHA will grant each family a period of 6 months to find suitable affordable housing. If the family cannot find suitable affordable housing, CHA will provide additional search periods up to the maximum time allowable.

Suitable housing means housing that is not substandard and is of appropriate size for the family. Affordable housing means that it can be rented for an amount not exceeding the amount the family pays for rent, plus utilities, plus 25 percent.

The family's assistance is prorated in the following manner:

1. Find the prorated housing assistance payment (HAP) by dividing the HAP by the total number of family members, and then multiplying the result by the number of eligible family members.
2. Obtain the prorated family share by subtracting the prorated HAP from the gross rent (contract rent plus utility allowance).
3. The prorated tenant rent equals the prorated family share minus the full utility allowance.

#### **G. Utility Allowance**

CHA maintains a utility allowance schedule for all tenant-paid utilities (except telephone and cable), for cost of tenant-supplied refrigerators and ranges, and for other tenant-paid housing services.

The utility allowance schedule is determined based on the typical cost of utilities and services paid by energy-conservative households that occupy housing of similar size and type in the same locality. In developing the schedule, CHA uses normal patterns of consumption for the whole community and current utility rates.

CHA reviews the utility allowance schedule annually and revises any allowance for a utility category if there has been a change of 10 percent or more in the utility rate since the last time the utility allowance schedule was revised. CHA maintains information

supporting the annual review of utility allowances and any revisions made in its utility allowance schedule. Participants may review this information at any time by making an appointment with the Section 8 Department.

CHA uses the appropriate utility allowance for the size dwelling unit actually leased by the family (rather than the family unit size as determined under CHA subsidy standards).

At each reexamination, CHA applies the utility allowance from the most current utility allowance schedule.

CHA will approve a request for a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

The utility allowance will be subtracted from the family's share to determine the amount of the tenant rent. The tenant rent is the amount the family owes to the owner each month. The amount of the utility allowance is still available to the family to pay the cost of their utilities. Any utility cost above the allowance is the responsibility of the tenant. Any savings resulting from utility costs below the amount of the allowance belong to the tenant.

## **H. Distribution of Housing Assistance Payment**

New HAP contracts may begin when all program requirements have been met. CHA monitors its housing assistance payments to ensure system accuracy, timeliness and integrity. All payments to Landlords and Families are made by check or direct deposit, processed and prepared through CHA Finance Department, independent of the Leased Housing Department. Payments are computed according to HUD approved formulas and schedules. A copy is kept on file of each Landlord's Tax Identification Number or Social Security number.

### **1. Monthly HAP**

HAP disbursements are mailed on the first of every month. Utility payments to Families are mailed directly to the Family at the assisted address.

### **2. Late Payments**

The first HAP for a new contract will be received no later than two calendar months following the execution of the HAP contract. All other payments will be received by the fifth day of each calendar month. CHA shall pay a late fee for HAPs not received (as defined above) due to factors within CHA's control, in accordance with what is charged to unassisted families which pay a late fee and not to exceed what is charged to the Landlord's assisted and unassisted tenants. No other late fees will be paid. This payment is made upon request from the Landlord, provided the Landlord has a policy and practice of collecting late fees from private market tenants residing in his/her units.

No late fee will be assessed or paid by CHA if the payment is received late due to factors beyond CHA's control or receipt of the late payment is due to an adjustment in either the amount of contract rent to the owner or the HAP to be made by CHA

## **I. Change of Ownership or New Ownership**

CHA requires a written request by the owner who executed the HAP contract to make changes regarding who is to receive CHA's rent payment or the address where the rent payment should be sent.

In addition, CHA requires a written request from the new owner to process a change of ownership. The following documents must accompany the written request:

1. Property Tax Notice, Settlement Statement, or Deed of Trust showing the transfer of title and address,
2. Tax Identification Number or Social Security Number, and

New owners will be required to execute IRS form W-9. CHA may withhold the rent payment until the Taxpayer Identification Number is received. The following documents are required from the owner:

1. Property Tax Notice, Settlement Statement, or Deed of Trust showing the transfer of title and address,
2. Tax Identification Number or Social Security Number, and
3. A statement that they will accept the existing HAP contract as is.

## **SECTION XVIII**

### **Determination of Family Income**

#### **A. Income, Exclusions from Income, Deductions from Income**

To determine annual income, CHA counts the income of all family members, excluding the types and sources of income that are specifically excluded. Once the annual income is determined, CHA subtracts all allowable deductions (allowances) as the next step in determining the Total Tenant Payment.

##### **1. Income**

- a. Annual income means all amounts, monetary or not, that:
  - (1). Go to (or on behalf of) the family head or spouse (even if temporarily absent) or to any other family member, or
  - (2). Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
  - (3). Are not specifically excluded from annual income.
- b. Annual income includes, but is not limited to:
  - (1). The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
  - (2). The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
  - (3). Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness are not used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession

may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from an investment is included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income includes the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD. During reexaminations, CHA will obtain each family's certification that it has or has not disposed of assets for less than fair market value during the two years preceding the effective date of the recertification. If the family certifies that it has disposed of assets for less than fair market value, the certification must show: (a) all assets disposed of for less than fair market value, (b) the date they were disposed of, (c) the amount the family received for each asset, and (d) the market value of each asset at the time of disposition. Third-party verification will be obtained whenever possible.

- (4). The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount. (However, deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts are excluded.)
- (5). Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay. (However, lump sum additions such as insurance payments from workers' compensation are excluded.)
- (6). Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
- (7). All regular pay, special pay, and allowances of a member of the Armed Forces. (Special pay to a member exposed to hostile fire is excluded.);
- (8). Imputed welfare income resulting from sanctions imposed by welfare agency;

- c. CHA will annualize seasonal income over a twelve-month period based upon the past income; and spread cyclical income over a twelve-month period rather than redetermining income throughout the year (ex. For 9-month school employees, income will be divided over 12 months. No interim rent adjustment will be required).

Families whose welfare assistance (Families First) is reduced specifically because of fraud or failure to participate in an economic self-sufficiency program or comply with a work activities requirement must not have their Section 8 contribution to rent reduced based on the Families First benefit reduction. The exclusion on reduction of Section 8 rent contribution does not apply when the family has complied with their Families First Program requirements but cannot obtain employment (e.g. the family has complied but loses welfare benefits because of a durational time limit, such as the five-year time limit for receipt of Families First benefits).

At all times when a request for an income reexamination and rent reduction due to a reduction in Families First income is received, CHA will verify with the local division of the Department of Human Services (DHS) that the family's benefits have been reduced because of noncompliance with economic self-sufficiency requirements, work activities requirements, or because of fraud. Verification may be obtained, in written form, directly from the local DHS office, or through the ACCENT computer system. The verification will be maintained in the tenant file.

If verification is obtained from DHS that the family's benefits have been reduced because of noncompliance with economic self-sufficiency requirements, work activities requirements, or because of fraud, the family's income must not be reduced for purposes of calculating the family's TTP. Instead, the family's welfare income must be "imputed" during the term of the welfare benefits sanction. CHA will verify with DHS the term of the sanction.

To impute welfare benefits reduction:

- (1). Determine the amount of welfare income received prior to the sanction.
- (2). Determine the term of the sanction.
- (3). Offset the amount of additional income the family receives that starts after the welfare sanction. If additional income received after the welfare sanction begins is equal to the amount of welfare

income received prior to the sanction, the imputed welfare income is equal to \$0.

CHA will not include imputed welfare income in annual income if the family was not an assisted resident at the time of the sanction. If a resident is not satisfied that CHA has calculated the amount of imputed welfare income according to HUD requirements, and if CHA denies the family's request to modify such amount, then CHA shall give the resident written notice of such denial, with a brief explanation of the basis for CHA's determination of the amount of imputed welfare income. CHA's notice shall also state that if the resident does not agree with the determination, the resident may grieve the decision according to our grievance policy. The resident is not required to pay an escrow deposit for the portion of the resident's rent attributable to the imputed welfare income to obtain a grievance hearing.

Such welfare agency determinations are the responsibility of the welfare agency, and the family may seek appeal of such determinations through the welfare agency's normal due process procedures. CHA shall rely on the welfare agency notice to CHA of the welfare agency's determination of a specified welfare benefits reduction.

## **2. Exclusions from Income**

Annual income *does not* include the following:

- a. Earned income of minors (children under the age of 18, including foster children) except head of household or spouse;
- b. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- c. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workers' compensation), capital gains, and settlement for personal or property losses;
- d. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- e. Income of a live-in aide. To qualify as a Live-In Aide, a tenant's medical professional must document that the tenant needs a live-in aide. CHA must screen the aide and add their name to the tenant's lease.
- f. The full amount of student financial assistance paid directly to the student or to the educational institution;
- g. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- h. The amounts received from the following programs:
  - (1). Amounts received under training programs funded by HUD;

- (2). Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (3). Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and that are made solely to allow participation in a specific program;
- (4). Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for CHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiative coordination. No resident may receive more than one such stipend during the same period of time;
- (5). Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program;
- (6). Temporary, nonrecurring, or sporadic income (including gifts);
- (7). Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (8). Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (9). Adoption assistance payments in excess of \$480 per adopted child;
- (10). Deferred periodic amounts from Supplemental Security Income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts;
- (11). Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
- (12). Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family



member at home; or

- (13). Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits.

These exclusions include:

- (a). The value of the allotment of food stamps will be calculated and excluded annually;
- (b). Payments to volunteers under the Domestic Volunteer Services Act of 1973;
- (c). Payments made under HHS's Low-Income Energy Assistance Program;
- (d). Payments received under the Job Training Partnership Act;
- (e). Amount of scholarships awarded under Title IV including Work-Study;
- (f). Payments received under the Older Americans Act of 1965;
- (g). Payments from Agent Orange Settlement;
- (h). The value of child care under the Child Care and Development Block Grant Act of 1990;
- (i). Earned income tax credit refund payments;
- (j). Payments for living expenses under the AmeriCorps Program;
- (k). **Earned Income Disallowance:** Disallowance of income for disabled persons who are working (effective 4/20/01). *(1) Initial 12-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 must 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 prior income of that family member. *(2) Second 12-month exclusion and phase-in:* During the second cumulative 12-month period after 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 must exclude from annual income of a qualified family 50% of any increase in income of such family member as a result of employment over income of that family member prior to the

beginning of such employment. (3) *Maximum 4-year disallowance:* The disallowance of income of an individual family member who is a person with disabilities is limited to a lifetime 48-month period. The disallowance of increases in income as a result of employment of persons with disabilities does not apply for purposes of admission to the program.

### 3. Deductions from Annual Income

The following deductions will be made from annual income:

- a. \$480 for each dependent
- b. \$400 for any elderly family or disabled family
- c. Allowance for disability assistance expenses that are anticipated for attendant care and auxiliary apparatus for a disabled family member and that is necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are not paid to a family member or reimbursed by an outside source. The amount to be deducted cannot exceed the amount earned by a family member 18 years old or older who is enabled to work because of the disability assistance. For non-elderly families, the disability assistance allowance is the lessor of: (1) the amount by which total expenses for disability assistance exceeds 3 percent of annual income or (2) what a family is able to earn because the disability assistance allowance is available.

For elderly families, the 3 percent of annual income must first be deducted from disability assistance expenses and then any remainder deducted from medical expenses.

If a family has both medical and disability assistance expenses, first deduct 3 percent of annual income from the disability assistance expenses; any remainder is then deducted from total medical expenses.

- d. Medical expenses, for households whose head or spouse is at least 62 years of age or disabled, that are not covered by insurance and are in excess of 3 percent of annual income:
  - (1). That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed 3 percent of annual income;
  - (2). That has disability expenses greater than or equal to 3 percent of annual income, an allowance for disability assistance expenses computed in accordance with paragraph C, plus an allowance for medical expenses that equal the family's medical expenses;
  - (3). That has disability assistance expenses that are less than 3 percent of annual income, an allowance for combined disability assistance

expenses and medical expenses that is equal to the total of these expenses less 3 percent of annual income.

Medical expenses include the costs of diagnosis, cure, mitigation, treatment, or the prevention of disease, and the costs for treatments affecting any part or function of the body. They include the costs of equipments, supplies and diagnostic devices needed for these purposes. They also include dental expenses. Medical expenses include the premiums paid for insurance that covers the expenses of medical care and the amounts paid for transportation to get medical care. Medical expenses also include amounts paid for qualified long-term care services and limited amounts paid for any qualified long-term care insurance contract.

- e. Child care expenses (for which the family is not reimbursed) for the care of children less than 13 years of age to the extent necessary to enable a family member to be gainfully employed or to further their education. The amount deducted shall reflect reasonable charges for child care, and when child care is necessary to permit employment, the child care deduction shall not exceed the amount derived from that employment income.

#### 4. Cooperating with Welfare Agencies

CHA and the local welfare agency agree:

To target public assistance, benefits, and services to families receiving assistance in the public housing program and the Section 8 tenant-based assistance program to achieve self-sufficiency;

#### 5. Zero Income

If a family claims zero income at Admissions or at Annual Recertification, they will be required to complete a Zero Income Questionnaire. Any income reported will be annualized and counted as household income. The value of any products contributed to the household will also be annualized and counted as household income. The family may also be required to come in to complete a Zero Income Questionnaire every 90 days until stable income is established.

## **SECTION XIX**

### **Inspection Policies and Housing Quality Standards**

Housing leased in the HCVP (Section 8) for the CHA will meet the standards and acceptability criteria set forth in 24 CFR 982.401, as amended. The Landlord will at a minimum, maintain the unit(s) in compliance with those requirements during the Housing Assistance Payments Contract. Regular inspection will be made of all units on the program to ensure compliance with HUD's requirements. The Landlord and Family will be notified of the repairs necessary for compliance.

CHA will inspect all units to ensure that they meet Housing Quality Standards (HQS). No unit will be initially placed on the Section 8 Housing Choice Voucher Program unless the HQS is met. Units will be inspected at least biennially, and at other times as needed, to determine if the units meet HQS.

CHA must be allowed to inspect the dwelling unit at reasonable times with reasonable notice. The family and owner will be notified of the inspection appointment by first-class mail. If the family is not at home for the scheduled inspection appointment and they do not contact the housing authority for a reschedule before the date of inspection, it is considered a Fail 98; and the assistance may be terminated.

If the family calls to dispute the termination, one more chance will be given with the understanding that if they miss another appointment for inspection, they may lose their assistance.

Owners and families are obligated to sign the "Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards" at each initial lease signing.

#### **A. Types of Inspections**

CHA will perform six types of inspections:

##### **1. Initial Inspection**

Before approving a lease, CHA will ensure the dwelling unit is inspected for compliance according to CHA procedure. All HQS inspections of units shall be conducted within ten (10) working days of the date the unit is ready using a HUD approved inspection form. A copy of the inspection will be mailed to both the Landlord and Family. A report for every inspection will be prepared and maintained in the Family's file in the Housing Choice Voucher Program (Section 8) Office. Each report will specify the defects or deficiencies, if any, which must be corrected by the Landlord before the contract can be executed.

##### **a. Unit Failure**

If, as a result of the initial inspection, CHA determines violations exist, CHA will notify the Landlord and the Family in writing, and require the defects be corrected

within fifteen days (15) of the failure. A copy of this notification will be retained in the Family's file in the Housing Choice Voucher Program (Section 8) office. If CHA determines, as a result of the re-inspection, that the Landlord has satisfactorily corrected all defects or deficiencies, CHA will execute the HAP Contract.

b. Correcting Deficiencies and Approval

If the Landlord fails to make the required repairs within fifteen (15) days, the Landlord and Family will be notified that the RFTA has been denied. The Family may then be issued new paperwork to search for alternate housing provided there is time left on the Voucher to search for housing.

**2. Biennial Inspection**

Regular inspections will be made of each unit prior to the anniversary date of the last passed initial, annual or biennial inspection. For the first year of this policy change the units will be selected for inspection based on zip code area. Those zip code areas not selected will skip this year and will be inspected the next year. Each year thereafter, your inspection will fall every other year. If the unit passes the inspection, CHA will continue payments. If the unit fails inspection, the owner and tenant will be given 30 days to make the necessary repairs. CHA will not automatically come back out to re-inspect the unit after repairs are made. The owner and/or tenant must call and request a re-inspection once the repairs are made.

**3. Complaint Inspection**

The CHA will respond to all Families reporting violations of Housing Quality Standards in their units. Requests for complaint inspections are made to Landlord Services. Families may call the HQS Hotline or submit a written request.

Once the complaint is received, CHA will notify the Landlord of the complaint and give the Landlord a reasonable amount of time to address the complaint and make necessary repairs. If the complaint is not addressed appropriately within the time frame specified, CHA will perform an inspection of the unit and staff will take the steps outlined for such situations according to the terms of the HAP contract.

A "reasonable time" will be determined by the severity of the condition.

- a. Any hazard that represents an immediate threat to the health and safety of the Family must be corrected within 24 hours.
- b. Any hazards that represent a potential threat to the health and safety of the Family must be corrected with three days.

- b. Any violations that pose no threat to the health and safety of the Family must be corrected within 21 days unless granted an extension.

#### **4. Special Inspection**

An inspection caused by a third party, i.e., HUD, needing to view the unit.

#### **5. Emergency**

Emergency Inspections will be conducted when there are deficiencies in a unit that are considered to be life-threatening. The deficiencies must be corrected within 24 to 72 hours of the inspection date.

#### **6. Quality Control Inspection**

Quality Control inspections will be conducted in compliance with SEMAP regulation 985.2, public housing agency quality control sample. The records will be drawn in an unbiased manner and reviewed by a CHA supervisor. The supervisor's re-inspected sample will be drawn from recently completed HQS inspections (performed during the last three months preceding re-inspection) and will be drawn to represent a cross section of neighborhoods and the work of a cross section of inspectors.

### **B. Owner and Family Responsibility**

#### **1. Owner Responsibility for HQS**

- a. The owner must maintain the unit according to HQS.
- b. If the owner fails to maintain the dwelling unit according to HQS, CHA will take prompt and vigorous action to enforce the owner's obligations. CHA's remedies for such breach of the HQS include termination, suspension, or reduction of housing assistance payments and termination of the HAP contract.
- c. CHA will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by CHA and CHA verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any CHA-approved extension). Owners and tenants must request extensions in writing or extensions will not be granted. CHA will accept written verification of compliance in lieu of re-inspection in cases of minor, non-life threatening HQS violations. Written verification must be attested to by both the Landlord and the Family and must be submitted to CHA prior to the expiration of the allowed compliance period for failed items.

d. The owner is not responsible for a breach of the HQS that is not caused by the owner and for which the family is responsible. Furthermore, CHA may terminate assistance to a family because of the HQS breach caused by the family.

e. Move Tenant

Once abatement has occurred, a letter will be generated informing the Landlord of the abatement and the fifteen (15) day compliance time. If the Landlord does not bring the unit into compliance after fifteen (15) days of abatement, CHA will begin the process of relocating the Family. CHA will cancel the HAP Contract when the family moves from the unit or sixty (60) days after CHA after the abatement date, whichever comes first.

f. Continued Occupancy

After the Move Tenant notice is given, the Family must move from the unit or execute a Continued Occupancy document with the Landlord and present it to the Housing Choice Voucher Program (Section 8) staff. The Landlord must correct all deficiencies and pass the inspection before the HAP terminates. CHA will reestablish the HAP payments when the unit passes inspection, but will not make any retroactive payments for any period the unit did not meet HQS.

g. HAP Cancellation

If the unit does not pass inspection prior to the HAP termination date, and the Family decides not to move, but to instead enter into a separate lease with the Landlord, CHA will terminate the assistance to the Family in accordance with the HAP Contract.

Any overpayment of the HAP will be deducted from the Landlord's other assisted properties, or from the first HAP for any property leased under the program.

2. Family Responsibility for HQS

a. The family is responsible for a breach of the HQS that is caused by any of the following:

(1). The family fails to pay for any utilities that the owner is not required to pay, but which are to be paid by the tenant;

(2). The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or

(3). Any member of the household, or a guest, damages the dwelling

unit or premises (damage beyond ordinary wear and tear).

- b. If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any CHA-approved extension).
- c. If the family has caused a breach of the HQS, CHA will take prompt and vigorous action to enforce the family obligations. CHA may terminate assistance for the family according to 24 CFR 982.552.
- d. If the unit is placed into abatement for repairs not made timely, the family is still required to pay their required monthly portion of rent to the landlord. They are not required to pay the HAP amount that has been abated. Failure to pay the required monthly tenant portion of rent is a considered noncompliance for the family and will be enforced as such.
- e. **Family Termination**

The Section 8 Voucher Program Representative will send the Family a thirty (30) day notice of termination, and a copy to the Landlord. The Family will be allowed fifteen (15) days from the letter date to request an informal hearing to dispute the termination; or the Family may correct the deficiencies and request a reinspection.

If the Landlord has no pending deficiencies, the HAP payment will continue through the termination date if the tenant remains in the unit.

- f. **Continued Occupancy**

During the waiting period, the Landlord has the option to assist the family to correct the deficiencies if they agree to continue the tenancy. If agreed upon, the Landlord and family must complete and sign the Notice of Continued Occupancy and return it to Housing Choice Voucher Program (Section 8) office so that a reinspection may be made. The termination will be suspended if the unit passes inspection before the pending termination date.

- g. **Informal Hearing**

If the Family is terminated for HQS violations, and requests a hearing, an informal hearing will be held prior to the pending termination date.

## **C. Exceptions to the HQS Acceptability Criteria**

CHA has the following HQS requirements in addition to the minimum standards set by HUD:



1. In units that do not have central air conditioning, the required openable windows must contain screens. This applies to the bathroom, if no mechanical exhaust is present; and one window in each sleeping room;
2. Bathrooms must have a door with properly operating knob and locks. Bedrooms must have a door with properly operating hardware, including door knob;
3. Thumb latch dead bolt locks are required on entry doors. Keyed locks are prohibited;
4. The heating system must be capable of maintaining a minimum of 68° F at a distance 3 feet above floor level, under minimum winter conditions;
5. Storm door, if present, must be in good condition (closer, handles, glass, screen);
6. Security bars on the openable window must be of the type that opens or is removed without the use of a key;
  2. Bedroom shall contain a minimum of 70 square feet (7x10) of floor space;
  3. Required handrails shall be not less than 30 inches nor more than 40 inches high measured vertically above the nosing of the treads. Guardrails shall be not less than 30 inches high above the floor of the porch, landing or balcony. Every handrail and guardrail shall be firmly fastened and capable of bearing normally imposed loads and shall be maintained in good condition;
  4. The dwelling unit must not contain un-vented room heaters that burn gas, oil, or kerosene. Electric area heaters are acceptable as a secondary source of heat only;
  5. Gutters, if present must be maintained free of obstructions and in proper working condition;
  6. Unpainted interior and/or exterior wood surfaces must be protected by an appropriate surface coating or treatment unless specifically designed for use without protection;
  7. All doors and windows must be appropriately weather stripped to prevent the entrance of wind, rain and/or vermin infestation;
  8. Fences, when present, shall be in good condition, properly installed and maintained and should not pose a hazard. Barbed wire, razor wire, electric wire and other hazardous fence material are not permitted;

**D. Time Frames and Corrections of HQS Fail Items**

## 1. Correcting Initial HQS Fail Items

CHA will conduct an initial inspection of the unit within a reasonable period after the family submits a *Request for Tenancy Approval* and the owner and family indicate the unit is ready for inspection. The owner and participant will be notified of the results of the inspection. If the unit fails HQS, the owner and the participant will be advised to notify CHA (or the independent agency if applicable) to reschedule a re-inspection when the repairs have been properly completed. Once the unit passes the inspection, CHA (or the independent agency) will notify the owner and participant of the results.

If the Landlord fails to make the required repairs within 15 days, the landlord and Family will be notified that the RFTA has been denied and the Family will be issued new paperwork.

## 2. HQS Fail Items for Units under Contract

The owner or participant will be given time to correct the failed items cited on the inspection report for a unit already under contract. If the failed items endanger the family's health or safety (using the emergency item list below), the owner or participant will be given 24 hours to correct the violations. For less serious failures, the owner or participant will be given up to 30 days to correct the failed item(s). If the unit fails HQS, the owner and the participant will be advised to notify CHA (or independent agency) to reschedule a re-inspection when the repairs have been properly completed.

If the owner fails to correct the items that failed HQS after proper notification has been given, CHA will abate payment and terminate the contract according to Sections 12.7 and 17.0(B)(3).

If the participant fails to correct the HQS failed items that are family caused after proper notification has been given, CHA will terminate assistance for the family according to Sections 12.2(B) and 17.0(B)(3).

If the unit does not pass inspection prior to the HAP termination date, and the Family decides not to move, but to instead enter into a separate lease with the Landlord, CHA will terminate the assistance to the Family in accordance with the HAP Contract.

Any overpayment of the HAP will be deducted from the Landlord's other assisted properties, or from the first HAP for any property leased under the program.

## 3. Timeframes for Corrections

- a. Emergency repair items must be abated within 24 hours.
- b. Non-emergency items must be completed within thirty (30) days of

the initial inspection.

4. Extensions

At the sole discretion of CHA, extensions of up to 30 days may be granted to permit an owner to complete repairs if the owner has made a good faith effort to initiate repairs. If repairs are not completed within 60 days after the initial inspection date, CHA will abate the rent and cancel the HAP contract for owner noncompliance. Appropriate extensions will be granted if a severe weather condition exists for such items as exterior painting and outside concrete work for porches, steps, and sidewalks. Owners and tenants must request extensions in writing or extensions will not be granted.

**E. Emergency Fail Items**

The following items are to be considered examples of emergency items that need to be abated within 24 hours:

1. No hot or cold water
2. Owner-provided utilities
3. Inability to maintain adequate heat
4. Major plumbing leak
5. Natural gas leak
6. Broken lock(s) on first floor doors or windows
7. Broken windows that unduly allow weather elements into the unit
8. Electrical outlet smoking or sparking
9. Exposed electrical wires that could result in shock or fire
10. Unusable toilet when only one toilet is present in the unit
11. Security risks such as broken doors or windows that would allow intrusion
12. Other conditions that pose an immediate threat to health or safety
13. When there is not at least one working smoke alarm on each floor.

**F. Abatements**

When a unit fails to meet HQS and the owner has been given an opportunity to correct

the deficiencies, but has failed to do so within the required timeframe, the rent for the dwelling unit will be abated.

For tenant-caused HQS deficiencies, the owner will not be held accountable, and the rent will not be abated. The tenant is held to the same standard and timeframes for correction of deficiencies as owners. If repairs are not completed by the deadline, CHA will send a notice of termination to both the tenant and the owner. The tenant will be given the opportunity to request an informal hearing.

## **SECTION XX**

### **Rent Increase Requests**

The Voucher Contract requires the Landlord to notify the CHA in writing, **at least** sixty (60) days prior to renewal, of a proposed rent increase and the date the increase will go into effect. All proposed rent increases must be approved by CHA as reasonable and cannot exceed rents charged for comparable unassisted units in the same complex. Below are additional requirements for rent increase requests:

- Rent increases can only be approved up to a maximum of 5% of current contract rent. The increase can only exceed 5% of the current approved contract rent if sufficient documentation is provided to prove the unit is in exceptional condition and has amenities that would justify the additional rent.
- CHA reserves the right to deny a rent increase due to insufficient funding.
- Rent increases must be submitted on the “Rent Increase Request Form” that can be found online at [www.chahousing.org](http://www.chahousing.org).
- Once the rent increase is approved, a signed lease renewal with the approved increased amount must be submitted (signed by both the Lessee and Lessor) no later than 60 days from the date requested. If this is not submitted, the rent increase will not be processed.

Once the request has been submitted, the CHA will conduct a rent reasonableness survey of comparable units. If the requested increase is determined reasonable, the approved increase will become effective the first day of the month of lease renewal.

## **SECTION XXI**

### **Term of Lease**

The initial lease term must be for at least one (1) year. However, CHA may at any time approve a shorter period if both of the following apply:

- A. It is the prevailing market practice; and
- B. It will improve housing opportunities.

The Landlord’s lease must provide renewal terms.

## SECTION XXII

### **Term of the HAP Contract**

The initial term of the HAP contract shall coincide with the lease. After such time, the HAP contract shall extend automatically to coincide with the term of the lease. Any changes to the lease must be approved by CHA, and the Landlord must provide CHA with a copy of such changes in writing.

For HAP contracts on Project-Based Voucher units, the HAP contract will be from 1 to 10 years, with the possibility of one or more five-year extensions if CHA determines that such extension is appropriate to promote decent affordable housing in its service area.

## **SECTION XXIII**

### **MONETARY CLAIMS FOR DAMAGES & UNPAID RENT/UTILITIES**

#### **I. Introduction**

Although the Chattanooga Housing Authority (CHA) does not reimburse owners for damage to a unit caused by a participant, the CHA has an interest in ensuring that participants in the Housing Choice Voucher Program (HCVP) address repeated lease violations, including damage to a unit beyond reasonable wear and tear and unpaid rent/utility amounts. The CHA may use its authority to revoke a participant's voucher or place a hold on pending transfer requests if documented lease violations are not addressed by a participant pursuant to the terms of this section.

#### **II. Owner Process for Initiating a Damage or Unpaid Rent Claim**

**All claims must be submitted by Owner to CHA within sixty (60) calendar days of participant's move out.** All claims must be delivered either by hand delivery, mail, fax or, email to the attention of Tammie Carpenter, 801 N. Holtzclaw Avenue, Chattanooga, TN 37204, fax 423-752-4833, [tcarpenter@chahousing.org](mailto:tcarpenter@chahousing.org)

**For damage claims Owner must submit:** A completed CHA Damage Claim Form attaching (1) photographic or other evidence of the damage claimed; (2) reference to specific lease provisions giving rise to Owner's claim; (3) other supporting documentation of owner's claim (4) proof that the participant's security deposit has been applied to the total cost of damages claimed; (5) court judgment if any.

**Supporting documentation includes the actual bills for materials and labor and a copy of the canceled checks or other receipts documenting payment.** Any invoices from an individual providing the labor must include his/her name, address, phone number and e-mail address. The owner may not bill himself/herself for labor since that is not considered by the CHA to be an "actual cost." However, the actual cost of the owner's employees' labor, such as the resident manager, to make repairs may be included. Reasonableness of costs will be based on practices consistent with industry standard. Claims for normal wear and tear, previously existing conditions, routine turn-over preparation, and cyclical interior painting will not be considered.

**For unpaid rent, late charges, utilities, or other fees owing, Owner must submit:** (1) A ledger or other itemized list showing the amounts owing including the nature of the debt (rent, late charge, etc.); (2) Reference to the specific lease provision giving rise to Owner's claim; (3) documents of any attempts to collect amounts from the participant by landlord; (4) proof that the participant's security deposit has been applied to the total cost of sums claimed; (5) court judgment if any.

### **III. CHA Process Upon Receipt of a Damage or Unpaid Rent Claim**

**Upon receipt of the Owner's claim, CHA will review the claim in a timely manner.** The CHA will follow HUD standards in its evaluation of claims. The burden of proof rests with the Owner. (See additional damage documents on the CHA website). CHA may request further information or documentation from the Owner after the initial submission. Failure to provide adequate documentation may result in the Owner claim not being considered.

**If the CHA rejects the Owner's claim, it will inform the Owner.** Owner will have fourteen (14) days to request a reconsideration. CHA will only reconsider a claim where the Owner presents additional information or documentation that had not been submitted prior to the initial decision to reject the claim.

**If the CHA accepts the Owner's Claim, it will inform the participant of any decision by CHA to terminate, hold, or otherwise affect tenant's participation on the program.** The notice to the participant shall include the nature of the claim, the action needed to resolve the claim if the participant agrees with the claim by Owner, and a notice of a right to request an informal hearing regarding the Owner's claim and CHA's action if the participant disagrees with either. The notice sent to the participant will include instructions of how and when to file a request for an informal appeal hearing and participant's rights related to the hearing. An informal appeal request must be received by CHA within fourteen (14) days the date of the notice to participant.

**Acceptance of a claim by CHA does not constitute a commitment or agreement by CHA to pay any such claim to Owner.** CHA's only actions upon acceptance of a claim may be to terminate participation, hold any relocation, or otherwise condition continued participation in the program upon tenant's remedying of the serious lease violation(s) implicated by Owner's claim as listed below.

### **IV. Resolution of Owner Claims**

**If the Owner and participant agree to the Owner's claim and have agreed to a resolution,** CHA will accept the agreement as a resolution of any serious lease violation so long as the participant is in compliance with the agreement. Failure of the participant to comply with the agreement may result in CHA terminating participant from the program or refusing or delaying any transfer request.

**If Owner submits a claim supported by a final court judgment not subject to appeal,** CHA will accept the judgment as conclusive proof of a serious lease violation and of any damages awarded, subject only to evidence of satisfaction of the judgment. Participant's continued participation in the program or transfer will be contingent upon CHA receipt one of the following:

- Documentation of participant's payment in full of the amount reflected in the court ordered judgment, signed by both the participant and the owner;
- Copy of a repayment agreement signed by both the participant and owner; or



- Copy of court order for repayment through the court or a satisfaction of judgment.

**If Owner submits a claim without a final court judgment,** Owner must include documentation referenced in Section II, above. If, after review, CHA determines a serious lease violation occurred, CHA will provide notice to the participant. If the participant requests an informal hearing, CHA will notify both participant and Owner of the hearing date and will make a final decision after a hearing. Failure to appear and present evidence at any appeal hearing may result in an adverse outcome for either Owner or participant. In the event of a failure to request an informal appeal or an adverse outcome for participant of any informal appeal, participant's continued participation in the program or transfer will be contingent upon CHA receipt one of the following:

- Documentation of participant's payment in full of the amount reflected in the court ordered judgment, signed by both the participant and the owner;
- Copy of a repayment agreement signed by both the participant and owner; or
- Copy of court order for repayment through the court or a satisfaction of judgment.

**Participant eviction through a writ of possession (i.e. the sheriff sets out the participant from the property), will result in an automatic termination of participant from the program regardless of any payment, repayment agreement or repayment order.** The participant vacating the property without execution of a writ of possession will not result in automatic termination from the program and the resolution will be one of those listed above.

## **SECTION XXIV**

### **Re-certification**

#### **A. Changes in Lease or Rent**

If the participant and owner agree to any changes in the lease after the initial lease term (1 year), the owner must notify CHA and the tenant within sixty (60) days of the effective date of the proposed lease. The lease, including any changes, must be according to this Administrative Plan. Owners must notify CHA and the tenant of any changes in the amount of the rent at least sixty (60) days before the changes go into effect. If the rent increase is requested more than thirty (30) days after annual re-inspection, the owner may be required to wait until the next annual inspection date to increase the rent. Any such changes are subject to CHA determining them to be reasonable. CHA reserves the right to deny rent increases to landlords based on funding availability. Assistance shall not be continued unless CHA has approved a new tenancy in accordance with program requirements and has executed a new HAP contract with the owner if any of the following changes are made:

1. Requirements governing participant or owner responsibilities for utilities or appliances;
2. In the lease terms governing the term of the lease;
3. If the participant moves to a new unit, even if the unit is in the same building or complex.

#### **B. Annual Re-examination**

At least annually, CHA will conduct a reexamination of family income and circumstances. The results of the reexamination determine (1) the rent the family will pay, and (2) whether the family subsidy is correct based on the family unit size.

CHA will send a notification letter to the family letting them know that it is time for their annual reexamination and scheduling an appointment. Participants will be offered up to 2 annual reexamination appointments and/or times. Failure to keep their annual reexamination appointment may be subject to termination from the program.

CHA will conduct a criminal background check at annual re-examination and on any Family member that there is reason to believe may have a criminal history, in addition to conducting criminal background checks on all new Family members sixteen (16) years or older.

During the interview, the family will provide all information regarding income, assets, expenses, and other information necessary to determine the family's share of rent. The

family will sign the HUD consent form and other consent forms that later will be mailed to the sources that will verify the family circumstances.

Upon receipt of verification, CHA will determine the family's annual income and will calculate their family share.

CHA will also review and collect all delinquent balances owed to CHA by the Family. Such balances include but are not limited to:

1. Payments made under a special claim to a Section 8 Voucher Program Landlord on behalf of the Family.
2. Back-rent agreements made by the Family during participation in any of CHA's programs.
3. Charges incurred by the Family when they moved from a unit owned or operated by CHA.

### **C. Effective Date of Rent Changes for Annual Reexaminations**

The revised family share will generally be effective upon the anniversary date with 30 days' notice of any rent increase to the family.

If the rent determination is delayed due to a reason beyond the control of the family, any rent increase will be effective the first of the month after the month in which the family receives a 30-day notice of the amount. If the revised rent is a reduction and the delay is beyond the control of the family, the reduction will be effective as scheduled on the anniversary date.

If the family caused the delay, then any increase will be effective on the anniversary date. Any reduction will be effective the first of the month after the rent amount is determined.

### **D. Missed Appointments**

If the family misses the scheduled recertification appointment and fails to reschedule the appointment, CHA will consider the family to have violated a Family Obligation and their assistance may be terminated. If the family contacts CHA to dispute the termination, one more chance will be given but the family must understand that if they miss another appointment for recertification, they may lose their assistance.

### **E. Interim Re-Examinations**

Interim reexamination of the tenant's portion of rent will be made at the request of the tenant due to changes in family income or other relative circumstances. Families may request an interim based on a decrease in income for any reason, except for a decrease that lasts less than 30 days. All changes occurring prior to the next annual recertification must be reported to CHA within ten (10) days of occurrence. CHA will adjust the Housing Assistance Payments according to these verified changes.

Tenants are required to report all changes in family composition at the time of occurrence, even if the tenant portion of rent is not affected. When warranted,

adjustments will be according to regulations. If the unit size is affected by the change in family composition, a voucher for the appropriate size unit will be issued at the time of the annual recertification.

During an interim reexamination, only the information affected by the changes being reported will be reviewed and verified. CHA will not re-verify the income of other family members.

Families are required to report the following changes to CHA between regular reexaminations. These changes will trigger an interim reexamination.

1. A member has been added to the family through birth, adoption, court-awarded custody or other PHA approved situation.
2. A household member is leaving or has left the family unit.
3. Family breakup
4. Dependent in household turns 18 – must come in to complete interim change and sign verification forms within 30 days of turning 18.

In circumstances of a family break-up, CHA will make a determination of which family member will retain the voucher, taking into consideration the following factors:

- a. To whom the voucher was issued.
- b. The interest of minor children or of ill, elderly, or disabled family members.
- c. In regards to custody of the child when there is a family split, CHA can use a notarized statement if court documentation is not attainable to determine the household size of the voucher holder. The tenant must try every means possible to obtain the court documentation. A child residing in the unit at least 50% of the time will be considered when determining voucher size.
- d. Whether the assistance should remain with the family members remaining in the unit.
- e. Whether family members were forced to leave the unit as a result of actual or threatened physical violence by a spouse or other member(s) of the household.

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

Because of the number of possible different circumstances in which a determination will have to be made, CHA will make determinations on a case-by-case basis.

CHA will issue a determination within ten (10) business days of the request for a determination. The family member requesting the determination may request an informal hearing if they disagree with the outcome.

To add a household member other than through birth or adoption (including a live-in aide), the family must request that the new member be added to the lease. Before adding the new member to the lease, the individual must complete an application form stating their income, assets, and all other information required of an applicant. The individual must provide their Social Security number if they have one and must verify their citizenship/eligible immigrant status (Their housing will not be delayed due to delays in verifying eligible immigrant status other than delays caused by the family). The new family member will go through the screening process similar to the process for applicants. CHA will determine the eligibility of the new member before allowing the person(s) to be added to the lease. If the individual is found to be ineligible or does not pass the screening criteria, they will be advised in writing and given the opportunity for an informal review. If they are found to be eligible and do pass the screening criteria, CHA will grant approval to add their name to the lease. At the same time, the family's annual income will be recalculated taking into account the income and circumstances of the new family member. The effective date of the new rent will be according to the paragraph below:

4. Earned Income Disallowance families: Tenants whose disabled family member's income is being disallowed under the Earned Income Disallowance provision must attend an interim recertification at the end of the 12 cumulative month's 100% disallowance and again at the end of the next 12 cumulative month's 50% disallowance.

#### **F. Special Recertification**

If a family's income is too unstable to project for 12 months, including families that temporarily have no income or have a temporary decrease in income, CHA may schedule special reexaminations every 90 days until the income stabilizes and an annual income can be determined.

#### **G. Effective Date of Rent Changes Due to Interim or Special Reexaminations**

Families are required to request an interim reexamination based on a decrease in income, an increase in allowable expenses, or other changes in family circumstances. Families may request an interim based on a decrease in income for any reason, except for a decrease that lasts less than 30 days. Upon such request, CHA will take timely action to process the interim reexamination and recalculate the family share.

The CHA requires a reasonable amount of time to process interim reexaminations. Changes in family composition or income that result in a decrease in the Family's share of the rent will require fifteen (15) days to review, verify and initiate the new payments to

the Landlord. The new HAP payment will take effect the first of the month following this 15-day time frame. The Family is responsible for all rent payment to the Landlord until such time as the new rent takes effect. New income that increases the Family's share of the rent will become effective the first of the month following a 30-day notice to the Family and the Landlord.

If the family causes a delay, the rent increase will be effective on the date it would have been effective had the process not been delayed (even if this means a retroactive increase).

If the new rent is a reduction and any delay is beyond the control of the family, the reduction will be effective the first of the month after the interim reexamination should have been completed.

If the new rent is a reduction and the family caused the delay or did not report the change timely, the change will be effective the first of the month after the rent amount is determined.

#### **H. Retroactive Charges**

Retroactive charges will be assessed in all cases where the proper rent or monthly payment has not been charged for whatever reason, except CHA error. Retroactive charges shall be assessed for the total amount that should have been paid had the proper information been received by CHA and/or the proper rent or monthly payment charges made. The tenant may be terminated from the program in cases of misrepresentation. If the amount of the retroactive charge is more than \$1,999, a repayment agreement **will not be executed** and the tenant may be terminated. In cases of termination, a tenant will have a right to an informal hearing. At this time, the case will be forwarded to the Grand Jury. Anyone with charges of \$1,999 or less may be allowed to enter into an agreement to pay and, depending upon the amount owed, may have up to 12 months to pay. Failure to enter into the agreement will result in termination of assistance. All cases will be handled on a case-by-case basis in determining the amount allowed for repayment agreement and the repayment agreement terms.

## Section XXV

### Termination of Assistance to Family by CHA

CHA may at any time terminate program assistance for a participant because of any of the following actions or inactions by the household:

- A. If the family violates any family obligations under the program;
- B. If a family member fails to sign and submit consent forms;
- C. If a family fails to establish citizenship or eligible immigrant status and is not eligible for or does not elect continuation of assistance, pro-ration of assistance, or temporary deferral of assistance. If CHA determines that a family member has knowingly permitted an ineligible non-citizen (other than any ineligible non-citizens listed on the lease) to permanently reside in their Section 8 unit, the family's assistance will be terminated. Such family will not be eligible to be readmitted to Section 8 for a period of 24 months from the date of termination;
- D. If any family member has ever been evicted from public housing;
- E. If CHA has ever terminated assistance under the Certificate or Voucher Program for any family member;
- F. If any family member or guest of the resident as well as any person under the resident's control commits drug-related or violent criminal activity on or near the premises; has weapons or illegal drugs seized by a law enforcement officer; or manufactures methamphetamine on the premises;
- G. If any family member commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
- H. If the family currently owes rent or other amounts to CHA or to another housing agency in connection with Section 8 or public housing assistance under the 1937 Act;
- I. If the family has not reimbursed any housing agency 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;
- J. If the family breaches an agreement with CHA to pay amounts owed to a housing agency or amounts paid to an owner by a housing agency. (CHA, at its discretion, may offer a family the opportunity to enter an agreement to pay amounts owed to a housing agency or amounts paid to an owner by a housing agency.
- K. If a family participating in the Family Self-Sufficiency (FSS) program fails to comply, without good cause, with the family's FSS contract of participation;

- L. If the family has engaged in or threatened abusive or violent behavior toward housing agency personnel;
- M. If any household member is subject to a lifetime registration requirement under a state sex offender registration program;
- N. If a household member's illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by CHA to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents;
- O. A family will be terminated if the family commits any serious or repeated violation of the lease. A family who causes \$500 in damages to a unit or commits any serious or repeated violations of the lease will be terminated from the Section 8 Housing Choice Voucher Program and will be ineligible for CHA assisted housing for three years from the date of termination. After three years, the family must demonstrate they have lived in the community without damaging property or without eviction for any serious or repeated violations of a lease to establish eligibility for CHA assisted housing. The proof of the \$500 in damages will be derived from an itemized list of damages that coincide with paid receipts, pictures and/or court documentation provided by the property owner. The damage documentation must be provided to CHA within 60 days of move-out. During court negotiations, the family's assistance will not be terminated. If the final outcome determines the family owes more than \$500 in damages, the family assistance will be terminated.

If the family receives an agreement through court proceedings to repay the owner for damages, the family assistance will not be terminated. If the family defaults on the repay agreement through the courts and the owner provides documentation of the default, the assistance will be terminated at that time.

If no court negotiations are necessary to determine damages and the family and owner negotiate a repay agreement, the family assistance will not be terminated; however, if the family defaults on the repay agreement and the owner can provide documentation of the default, the family assistance will terminate at that time.

A family who is evicted for nonpayment of rent or any other serious or repeated violations more than once may be terminated from the program. However, if the family pays the owner for the back rent within thirty (30) days of the eviction notice, the assistance will not be terminated. The family will be ineligible for CHA assisted housing for three years from the date of termination. After three years, to establish eligibility for CHA assisted housing, the family must demonstrate they have lived in the community without eviction for non-payment of rent or other serious or repeated violations of the lease.

- P. If the family misses the scheduled inspection and fails to reschedule the inspection, CHA will consider the family to have violated a Family Obligation and their assistance may be terminated. If the family calls to dispute the



termination, one more chance will be given and the family will understand if they miss another appointment for inspection, they may lose their assistance.

- Q. **Misrepresentation:** If, at any time, CHA learns that a tenant made any misrepresentation to be eligible for assistance, the tenant's assistance may be terminated even though the tenant's current status may be eligible. A tenant's misrepresentation that results in a lower portion of tenant rent than should have been paid, will result in the tenant being required to pay the difference between that amount and the amount that should have been paid. In justifiable cases, CHA may take such action as it deems reasonable.
- R. CHA may terminate the HAP contract if it is determined there is insufficient funding. CHA may terminate a HAP contract with a 30-day notice to the landlord when it is determined there is insufficient funding to continue the HAP contract. CHA will choose who to terminate from a list of those who have been on the program the longest. CHA will add the families being terminated to the top of the waiting list and when funding is resumed, the family will receive a voucher for their rental assistance.
- S. CHA may terminate the voucher when the family has been out of the unit for more than 180 days and there has not been a payment made to the owner or UAP to the tenant for more than 180 days. The request to relocate must be initiated prior to the end of that 180 days and any relocation requirements must be complied with or the voucher will be terminated.

## **Section XXVI**

### **Complaints, Informal Review for Applicants, Informal Hearings for Participants**

#### **A. Complaints**

CHA will investigate and respond to complaints by participant families, owners, and the public. CHA may require that complaints other than HQS violations be put in writing. Anonymous complaints are investigated whenever possible.

If a family has an HQS complaint, they must call the owner. For non-emergencies, the family should send the complaint in writing to the owner and CHA.

#### **B. Informal Review for Applicants**

##### **1. Informal Review for the Applicant**

CHA will give an applicant for participation in the Section 8 Existing Program prompt notice of a decision denying assistance to the applicant. The notice will contain a brief statement of the reasons for CHA's decision. The notice will state that the applicant may request an informal review within ten (10) business days of the denial and will describe how to obtain the informal review.

##### **2. When an Informal Review is Not Required**

CHA will not provide the applicant an opportunity for an informal review for any of the following reasons:

- a. A determination of the family unit size under CHA subsidy standards.
- b. A CHA determination not to approve an extension or suspension of a voucher term.
- c. A CHA determination not to grant approval to lease a unit under the program or to approve a proposed lease.
- d. A CHA determination that a unit selected by the applicant is not in compliance with HQS.
- e. A CHA determination that the unit is not in accordance with HQS because of family size or composition.
- f. General policy issues or class grievances.
- g. Discretionary administrative determinations by CHA.

##### **3. Informal Review Process**

CHA will give an applicant an opportunity for an informal review of CHA decision denying assistance to the applicant. The procedure is as follows:

- a. The review will be conducted by any person or persons designated by CHA other than the person who made or approved the decision under review or a subordinate of this person.
  - b. The applicant will be given an opportunity to present written or oral objections to CHA's decision.
  - c. CHA will notify the applicant of CHA's decision after the informal review within 14 calendar days. The notification will include a brief statement of the reasons for the final decision.
4. Informal Review Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The applicant family may request that CHA provide for an informal review after the family has notification of the INS decision on appeal, or in lieu of request of appeal to the INS. This request must be made by the applicant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance* or within 30 days of receipt of the INS appeal decision.

For applicant families, the Informal Review Process above will be utilized with the exception that the applicant family will have up to 30 days of receipt of the *Notice of Denial or Termination of Assistance* or of the INS appeal decision to request the review.

5. Informal Review Procedures for Denial of Assistance on the Basis of Drug Activity. In determining whether to provide assistance, CHA will consider verifiable evidence of whether the household member(s):
- a. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;
  - b. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
  - c. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.

### **C. Informal Hearing for Participants**

#### 1. When a Hearing is Required

- a. CHA will give a participant family an opportunity for an informal

hearing to consider whether the following CHA decisions relating to the individual circumstances of a participant family are according to the law, HUD regulations, and CHA policies:

- (1). A determination of the family's annual or adjusted income and the use of such income to compute the housing assistance payment;
- (2). A determination of the appropriate utility allowance (if any) for tenant-paid utilities from CHA's utility allowance schedule;
- (3). A determination of the family unit size under CHA subsidy standards;
- (4). A determination that a Housing Choice Voucher Program family is residing in a unit with a larger number of bedrooms than appropriate for the family unit size under CHA subsidy standards, or CHA determination to deny the family's request for an exception from the standards;
- (5). A determination to terminate assistance for a participant family because of the family's action or failure to act;
- (6). A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under CHA policy and HUD rules.

- b. CHA will give the opportunity for an informal hearing before CHA terminates HAPs for the family under an outstanding HAP contract.

## 2. When a Hearing is Not Required

CHA will not provide a participant family an opportunity for an informal hearing for any of the following reasons:

- a. Discretionary administrative determinations by CHA;
- b. General policy issues or class grievances;
- c. Establishment of CHA's schedule of utility allowances for families in the program;
- d. A CHA determination not to approve an extension or suspension of a voucher term;
- e. A CHA determination not to approve a unit or lease;

- f. A CHA determination that an assisted unit is not in compliance with HQS. (However, CHA will provide the opportunity for an informal hearing for a decision to terminate assistance for a breach of the HQS caused by the family.);
- g. A CHA determination that the unit is not according to HQS because of the family size;
- h. A determination by CHA to exercise or not exercise any right or remedy against the owner under a HAP contract.

### 3. Notice to the Family

- a. CHA will notify the family that the family may ask for an explanation of the basis of CHA's determination, and that if the family does not agree with the determination, the family may request an informal hearing on the decision.
- b. CHA will give the family prompt written notice that the family may request a hearing within ten (10) business days of the notification. The notice will:
  - (1). Contain a brief statement of the reasons for the decision; and
  - (2). State if the family does not agree with the decision, the family may request an informal hearing on the decision within ten (10) business days of the notification.

### 4. Hearing Procedures

CHA and participants will adhere to the following procedures:

- a. Discovery
  - (1). The family will be given the opportunity to examine before the hearing any CHA documents that are directly relevant to the hearing. The family will be allowed to copy any such document at the family's expense. If CHA does not make the document(s) available for examination on request of the family, CHA may not rely on the document at the hearing.
  - (2). CHA will be given the opportunity to examine, at CHA's offices before the hearing, any family documents that are directly relevant to the hearing. CHA will be allowed to

copy any such document at CHA's expense. If the family does not make the document(s) available for examination on request of CHA, the family may not rely on the document(s) at the hearing.

Note: The term **document** includes records and regulations.

b. Representation of the Family

At its own expense, a lawyer or other representative may represent the family.

c. Hearing Officer

- (1). The hearing will be conducted by any person or persons designated by CHA, other than a person who made or approved the decision under review or a subordinate of this person.
- (2). The person who conducts the hearing will regulate the conduct of the hearing according to CHA hearing procedures.

d. Evidence

CHA and the family must have the opportunity to present evidence and may question any witnesses. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings.

e. Issuance of Decision

The person who conducts the hearing must issue a written decision within 14 calendar days from the date of the hearing, stating briefly the reasons for the decision. Factual determinations relating to the individual circumstances of the family shall be based on a preponderance of the evidence presented at the hearing.

f. Effect of the Decision

CHA is not bound by a hearing decision:

- (1). Concerning a matter for which CHA is not required to provide an opportunity for an informal hearing under this Section or that otherwise exceeds the authority of the person conducting the hearing under CHA hearing procedures.

- (2). Contrary to HUD regulations or requirements or otherwise contrary to federal, state, or local law.
- (3). If CHA determines that it is not bound by a hearing decision, CHA will notify the family within 14 calendar days of the determination and of the reasons for the determination.

## 5. Considering Circumstances

In deciding whether to terminate assistance because of action or inaction by members of the family, CHA may consider all circumstances in each case, including the seriousness of the case, the extent of participation or culpability of individual family members, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

CHA may impose, as a condition of continued assistance for other family members, a requirement that family members who participated in or were culpable for the action or failure will not reside in the unit. CHA may permit the other members of a participant family to continue receiving assistance.

If CHA seeks to terminate assistance because of illegal use, or possession for personal use, of a controlled substance, or pattern of abuse of alcohol, such use or possession or pattern of abuse must have occurred within one year before the date that CHA provides notice to the family of CHA's decision to deny or terminate assistance. In determining whether to terminate assistance for these reasons CHA will consider evidence of whether the household member:

- a. Has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol;
- b. Has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol; or
- c. Is participating in a supervised drug or alcohol rehabilitation program and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol.

## 6. Informal Hearing Procedures for Denial of Assistance on the Basis of Ineligible Immigration Status

The participant family may request that CHA provide for an informal hearing after the family has notification of the INS decision on appeal or in lieu of request of appeal to the INS. This request must be made by the participant family within 30 days of receipt of the *Notice of Denial or Termination of Assistance* or within 30 days of receipt of the INS appeal decision.

For the participant families, the Informal Hearing Process above will be utilized with the exception that the participant family will have up to 30 days of receipt of the *Notice of Denial or Termination of Assistance* or of the INS appeal decision.



## **Section XXVII**

### **Termination of Lease and Contract**

The term of the lease and the term of the HAP contract are the same. They begin on the same date, and they end on the same date. The lease may be terminated by the owner, by the tenant, or by the mutual agreement of both. The owner may only terminate the contract by terminating the lease. The HAP contract may be terminated by CHA. Under some circumstances the contract automatically terminates.

CHA may terminate the HAP contract if it is determined there is insufficient funding. CHA may terminate a HAP contract with a 30-day notice to the landlord and the tenant prior to recertification date that it is determined there is insufficient funding to continue the HAP contract. The following will be excluded: elderly families, disabled families, Family Self-Sufficiency families, and Section 8 homeowner families. CHA will add the families being terminated to the top of the waiting list and when funding is resumed, the family will receive a voucher for their rental assistance.

#### **A. Termination of the Lease**

##### **1. By the family**

The family may terminate the lease without cause upon proper notice to the owner and to CHA after the initial lease term. The length of the notice that is required is stated in the lease (generally 30 days).

For families residing in units which are assisted with project-based vouchers, if the family has elected to terminate the lease in this manner, CHA will offer the family the opportunity for continued tenant-based rental assistance, in the form of either assistance under the voucher program or other comparable tenant-based rental assistance. Before providing notice to terminate the lease, a family must contact CHA to request comparable tenant-based rental assistance if the family wishes to move with continued assistance. If voucher or other comparable tenant-based rental assistance is not immediately available upon termination of the family's lease of a project-based voucher unit, CHA will give the family priority to receive the next available opportunity for continued tenant-based rental assistance. If the family terminates the assisted lease before the end of one year, the family relinquishes the opportunity for continued tenant-based assistance.

##### **2. By the owner**

a. The owner may terminate the lease during its term on the following grounds:

- (1). Serious or repeated violations of the terms or conditions of the lease;

- (2). Violation of federal, state, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and its premises;
  - (3). Criminal activity by the household, a guest, or another person under the control of the household that threatens the health, safety, or right to peaceful enjoyment of the premises by other persons residing in the immediate vicinity of the premises;
  - (4). Any drug-related or violent criminal activity on or near the premises;
  - (5). Other good cause. Other good cause may include, but is not limited to:
    - (a) Failure by the family to accept the offer of a new lease;
    - (b) Family history of disturbances of neighbors or destruction of property or living or housekeeping habits resulting in damage to the property or unit;
    - (c) The owner's desire to utilize the unit for personal or family use or for a purpose other than use as a residential rental unit (not applicable for project-based Voucher units);
    - (d) A business or economic reason, such as sale of the property, renovation of the unit, desire to rent at a higher rental amount (not applicable for project-based voucher units).
- b. During the first year the owner may not terminate tenancy for other good cause unless the reason is because of something the household did or failed to do.
  - c. The owner may only evict the tenant by instituting court action after or simultaneously providing written notice to the participant specifying the grounds for termination. The owner must give CHA a copy of any owner eviction notice to the tenant at the same time the owner gives the notice to the tenant.
  - d. The owner may terminate the contract at the end of the initial lease term or any extension of the lease term without cause by providing notice to the family that the lease term will not be renewed. Families in units assisted by a project-based voucher will be provided with a tenant-based voucher upon the termination of the

assistance to the unit which they occupy.

3. By mutual agreement

The family and the owner may at any time mutually agree to terminate for extraordinary circumstances. The extraordinary circumstances must be approved by a supervisor.

**B. Termination of the Contract**

1. Automatic termination of the contract

- a. If CHA terminates assistance to the family, the contract terminates automatically.
- b. If the family moves out of the unit, the contract terminates automatically.
- c. 180 calendar days after the last housing assistance payment to the owner.

2. Termination of the contract by the owner

The owner may only terminate tenancy according to the lease and state and local law. For Project-Based Voucher HAP contracts, the owner may terminate the HAP contract, upon notice to CHA, if the amount of rent to owner for any contract unit, as adjusted in accordance with applicable regulations, is below the amount of the initial rent to owner. In this case, CHA will provide Tenant-Based Vouchers to the assisted family.

3. Termination of the HAP contract by CHA

CHA may terminate the HAP contract because:

- a. CHA has terminated assistance to the family.
- b. The unit does not meet HQS space standards because of an increase in family size or change in family composition.
- c. The unit is larger than appropriate for the family size or composition under the regular Housing Choice Voucher Program.
- d. When the family breaks up and CHA determines that the family members who move from the unit will continue to receive the assistance.
- e. The owner has breached the contract in any of the following ways:

- (1). If the owner has violated any obligation under the HAP contract for the dwelling unit, including the owner's obligation to maintain the unit according to HQS;
  - (2). If the owner has violated any obligation under any other housing assistance payments contract under Section 8 of the 1937 Act;
  - (3). If the owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program;
  - (4). For projects with mortgages insured by HUD or loans made by HUD, if the owner has failed to comply with the regulations for the applicable mortgage insurance or loan program, with the mortgage or mortgage note, or with the regulatory agreement;
  - (5). If the owner has engaged in drug-related criminal activity trafficking or any violent criminal activity.
- f. If a welfare-to-work family fails to fulfill its obligations under the welfare-to-work voucher program.
- g. CHA may terminate the HAP contract if it is determined there is insufficient funding. CHA may terminate a HAP contract with a 30-day notice to the landlord and the tenant at the recertification date that it is determined there is insufficient funding to continue the HAP contract. If the HAP contract is terminated or if the Payment Standards are lowered because of insufficient funding, the following will be excluded: elderly families, disabled families, Family Self-Sufficiency families, and Section 8 homeowner families. CHA will do a random selection of HAP contracts to terminate from all active HAP contracts currently in place. CHA will add the families being terminated to the top of the waiting list and when funding is resumed, the family will receive a voucher for their rental assistance.

#### 4. Final HAP payment to owner

The HAP payment stops when the lease terminates. The owner may keep the payment for the month in which the family moves out. If the owner has begun eviction proceedings and the family continues to occupy the unit, CHA will continue to make payments until the owner obtains a judgment or the family moves out. The owner must file a detainer warrant within five (5) days of the move-out date stated in the eviction notice.

5. Abandonment:

If the tenant abandons the unit, the owner will keep the housing assistance payment for the month the tenant abandons. The family will not be responsible to repay the housing assistance payment for the month of abandonment. The tenant will receive a termination of assistance letter. If the tenant wants to reapply for housing, they must prove they have lived in a unit for two years without abandoning.

If the owner must post the unit abandoned due to family unexplained absence from the unit, CHA will pay through a thirty-(30) day abandonment.

## **SECTION XXVIII**

### **Payment of Monies Owed by the Family to CHA**

#### **A. Section 8 Voucher Applicants Living in CHA's Conventional Public Housing**

Families transferring from Public Housing to the Section 8 Voucher Program must satisfy all outstanding debts under the Public Housing lease prior to transferring to the Section 8 Voucher Program. Families accessed a debt to CHA of \$500.00 or less, after being issued a Voucher and prior to a Section 8 HAP contract being executed on their behalf, may be offered the opportunity to enter into an agreement to pay the amount owed. Under such an agreement, CHA may accept 25% of the debt and negotiate a promissory note to repay the remaining balance within twelve (12) months. Any amounts greater than \$500.00 must be paid prior to execution of a Section 8 HAP contract.

#### **B. Section 8 Voucher Applicants Living Outside of CHA's Conventional Public Housing**

CHA will deny participation to any Applicant (including Family members) owing CHA money or to any Applicant (including Family Members) whose previous performance in any CHA program would disqualify them from further participation.

This does not apply to our VASH vouchers through the Veteran's Administration for Homeless Veterans and their families. If a VASH applicant owes money to CHA, they will be given the opportunity to enter into a repayment agreement with CHA for the money owed and will be admitted to the program. Failure to repay the debt once they are admitted to the program will result in termination of the voucher assistance.

#### **C. Additions to Families**

CHA will allow the Family to enter into a repayment agreement in the event a spouse of the Head of Household is added to a Family and that adult has an outstanding debt to CHA. The total amount owed by the adult requesting to be added to the lease will be transferred to the Head of Household's account and payments will become the responsibility of the Head of Household and, if applicable, the Co-head. Failure to pay the repayment agreement may result in the Family's termination from the program.

#### **D. Participants in the Housing Choice Voucher Program (Section 8)**

Families must satisfy, in full, all outstanding balances to CHA resulting from previous tenancy in any housing program administered or managed by CHA. This includes debts for damages, fraud and move-out expenses from public housing or special claims paid to a Housing Choice Voucher Program (Section 8) Landlord. If the amount owed is \$500.00 or less, CHA may accept 25% of the debt and negotiate a promissory note to

repay the remaining balance within twelve (12) months. Failure to pay monies owed CHA may result in termination of assistance.

## **Section XXIX**

### **Charges Against the Administrative Fee Reserve**

Occasionally, it is necessary for the CHA to spend money from its Housing Choice Voucher Program (Section 8) Administrative Fee Reserve to meet unseen or extraordinary expenditures or for its other housing related purposes consistent with State law.

The CHA Board of Commissioners authorizes the Executive Director to expend without prior Board approval up to and including Ten Thousand Dollars (\$10,000) for authorized expenditures.

Any item(s) exceeding Ten Thousand Dollars (\$10,000) will require prior Board of Commissioner approval before any charge is made against the Housing Choice Voucher Program (Section 8) Administrative Fee Reserve.

## **Section XXX**

### **Verification and Privacy of Family Information**

CHA will utilize all means, including electronic, to collect and verify information about participants and all household members. Certain of this data may be shared, on request, only with the individual to whom the information pertains. Heads of Household only may receive information on minors residing in the household. Information for other adults in the household may be provided, only to them, at their request only. There is no fee to provide this information during the annual reexamination interview, and/or when income information is disputed by any member of the household. Each adult member of the household shall sign the PDQ acknowledging these methods of data collection and their rights to access the information.

## **SECTION XXXI**

### **Project-Based Vouchers - Additional Requirements**

#### **A. Owner Proposal Submission Procedures**

1. General Requirements – Subject to HUD limitations on the number of Project-Based Vouchers (PBVs) that can be issued, and all other HUD requirements for the PBV program at 24 CFR Part 983, CHA may from time to time issue a Request for Proposals (RFP), soliciting Owners of rental property in the CHA service area to submit proposals to make use of PBVs. RFPs may solicit proposals from any Owners of rental property, or may specifically target one or more client demographic types (such as chronically homeless individuals) or development types (such as core urban, suburban, rural, etc.) for that RFP.
2. Public Notice of RFP – The RFP will be publicized in the legal classified section of the newspaper of general circulation, as well as on CHA’s web site. A due date for proposals will be indicated in the publication, as well as directions for obtaining an application packet, and CHA contact person for the RFP process.

#### **C. Site Selection Standards**

1. Generally – CHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site, unless CHA determines that:
  - a. PBV assistance at the site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities, as set out in CHA’s Agency Plan. In determining the standards to apply in determining whether a proposed PBV development will be selected, the following must be considered:
    - whether the census tract in which the proposed PBV development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
    - whether a PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
    - whether the census tract in which the proposed PBV development will be located is undergoing significant revitalization;
    - whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;



- whether new market rate units are being developed in the same census tract where the proposed PBV development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area;
  - If the poverty rate in the area where the proposed PBV development will be located is greater than 20 percent, the PHA should consider whether in the past five years there has been an overall decline in the poverty rate;
  - whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located.
- b. The site is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d–2000d(4)) and HUD's implementing regulations at 24 CFR part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601–3629); and HUD's implementing regulations at 24 CFR parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959–1963 Comp., p. 652) and HUD's implementing regulations at 24 CFR part 107. The site must meet the section 504 site selection requirements described in 24 CFR 8.4(b)(5).
- c. The site meets the HQS site standards at 24 CFR 982.401(l).
2. CHA Goals for Site Selection – To enhance the quality of life for participants in the voucher program, in addition to considering the factors listed above, CHA will also prioritize the following site- and location-related factors in selecting sites for Project Based Vouchers in its service area:
- a. To promote the continuing viability and redevelopment of properties in inner-city and older developed areas, proposed sites in core City locations will be favored over outer suburban or exurban sites; however, some RFPs may focus specifically on suburban or rural sites;
  - b. To promote lower transportation costs for residents, CHA will favor sites with easy access to public transportation or bicycle routes, and will favor locations near areas with job, retail, school, healthcare, government and other commercial and community resources;
  - e. To promote equitable distribution of PBV throughout CHA's service area, CHA may limit the number of PBV units in any one development, and/or give additional weighting to projects located in areas where no PBVs are currently being utilized.
  - f. To promote maximum participation by Owners in the PBV program, CHA may limit the number of PBV units in any one

development, and/or give additional weighting to proposals from Owners who have not participated in the program before.

1. Site Selection Standards for Existing and Rehabilitated Housing – To be selected for use of PBVs, sites must:
  - a. Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site. (The existence of a private disposal system and private sanitary water supply for the site, approved in accordance with law, may be considered adequate utilities.)
  - b. Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
  - c. Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
  - d. Be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. While it is important that housing for the elderly not be totally isolated from employment opportunities, this requirement need not be adhered to rigidly for such projects.
  
2. Site Selection Standards for Newly Constructed Housing – To be selected for use of PBVs, sites must:
  - a. Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
  - b. Not be located in an area of minority concentration, except as permitted under below, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
  - c. A project may be located in an area of minority concentration only if:
    - Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration; or
    - The project is necessary to meet overriding housing needs that cannot be met in that housing market area.
  - d. The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.

- e. The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions.
- f. The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- g. Except for new construction, housing designed for elderly persons, travel time, and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers, must not be excessive.

### **C. Eligible Projects and Units**

- 1. Housing Quality Standards (HQS)– PBV-assisted units must adhere to the same quality standards as other housing units in the HCV Program. All units must be inspected and pass HQS before execution of the Housing Assistance Payment contract. Once the unit is assisted, inspections must also be conducted on each unit turnover, and annually in compliance with 24 CFR 983.103.
- 2. Accessibility – PBV-assisted projects must comply with the program accessibility requirements in section 504 of the Rehabilitation Act of 1973 and the implementing HUD regulations at 24 CFR part 8. Project sites must provide 5% or more of assisted units meeting full mobility accessibility as defined by 24 CFR 8.32 and the applicable sections of the Uniform Federal Accessibility Standards. Additionally, for newly-constructed projects or projects with rehabilitation costs in excess of 75% of replacement costs, 2% of the assisted units must be accessible for persons with hearing or vision impairments.
- 3. Unit Caps – The percentage of PBV units in any building must not exceed 25%, except for buildings with four or fewer units, and except (upon special request to CHA) for units serving elderly or disabled families, or families receiving supportive services, where supportive services are those services necessary for the families to achieve housing stability. The supportive services must be provided by a qualified agency or nonprofit, and the services must be specifically tailored to need. Services may include mental health care, substance abuse treatment, job training, education assistance, recreational therapy, life skills, money management, case management, and other mainstream resources.

### **D. Ineligible Units**

The following types of units or projects are not eligible for the PBV program:

1. Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
2. Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care. However, CHA may attach PBV assistance for a dwelling unit in an assisted living facility that provides home health care services such as nursing and therapy for residents of the housing;
3. Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students of the institution;
4. Shared housing;
5. Manufactured homes;
6. Cooperative housing;
7. Transitional Housing;
8. High-rise elevator project for families with children;
9. Owner-occupied units;
10. Units receiving certain other types of federal, state or local subsidies (proposed projects will be subject to subsidy-layering analysis).

**E. Requirements for New or Rehabilitated Housing**

1. For projects selected under the RFP process for PBV, that will be constructed or renovated in anticipation of receiving PBVs, CHA will enter into an Agreement to enter into a HAP contract, wherein the Owner agrees to construct or renovate units that will meet applicable laws, standards (including HQS) and regulations, and CHA agrees to execute a binding HAP contract for the units when complete.
2. The Agreement will specify:
  - a. Site;
  - b. Location of contract units on site;
  - c. Number of contract units by area (size) and number of bedrooms and bathrooms;
  - d. Services, maintenance, or equipment to be supplied by the owner without charges in addition to the rent to owner;
  - e. Utilities available to the contract units, including a specification of utility services to be paid by owner (without charges in addition to rent) and utility services to be paid by the tenant;
  - f. Indication of whether or not the design and construction requirements of the Fair Housing Act and implementing regulations at 24 CFR 100.205 and the accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR 8.22 and 8.23 apply to units under the Agreement. If these requirements are applicable, any required work item resulting from these requirements must be included in the description of work to be performed under the Agreement, as specified in paragraph (c)(i)(viii) of this section.
  - g. Estimated initial rents to owner for the contract units;
  - h. Description of the work to be performed under the Agreement. If the Agreement is for rehabilitation of units, the work description must include the rehabilitation work write up and, where

determined necessary by CHA, specifications, and plans. If the Agreement is for new construction, the work description must include the working drawings and specifications;

- i. Completion Deadline for Construction or Rehabilitation;
- j. The term length (1-10 years) and initial rent to owner under the HAP contract to be executed.

### 3. Conduct of Development Work

- a. Labor standards - In the case of an Agreement for development of nine or more contract units, the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in development of the housing. The owner and the owner's contractors and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, the Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. CHA will monitor compliance with labor standards.
- b. Section 3 — Training, employment, and contracting opportunities. The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the implementing regulations at 24 CFR part 135.
- c. Equal employment opportunity. The owner must comply with federal equal employment opportunity requirements of Executive Orders 11246 as amended (3 CFR, 1964–1965 Comp., p. 339), 11625 (3 CFR, 1971–1975 Comp., p. 616), 12432 (3 CFR, 1983 Comp., p. 198) and 12138 (3 CFR, 1977 Comp., p. 393).
- d. Eligibility to participate in federal programs and activities. The Agreement and HAP contract shall include a certification by the owner that the owner and other project principals (including the officers and principal members, shareholders, investors, and other parties having a substantial interest in the project) are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.
- e. Disclosure of conflict of interest. The owner must disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

### 4. Completion of Housing

- a. Owner must complete the work before the deadline set in the Agreement, as set out above.
- b. Once the housing is complete, the Owner will submit the following evidence to CHA, in the manner prescribed by CHA:
  - Owner certification that the work has been completed in accordance with the HQS and all requirements of the Agreement;

- Owner certification that the owner has complied with labor standards and equal opportunity requirements in development of the housing;
  - A certificate of occupancy from the local building code authority.
- c. Once CHA determines that the housing has been completed in accordance with the Agreement and all required Owner submissions have been received and approved, CHA will execute the HAP contract.

## **F. Environmental Review**

All projects are subject to environmental review and approval by HUD prior to execution of contract, pursuant to 24 CFR Parts 58 and 983.58.

## **G. Project Selection**

1. In addition to preference criteria for project site and location, set out above, CHA will also prioritize proposals furthering several non-site-related criteria:
  - a. To promote the continuing economic viability, maintenance and redevelopment of existing housing stock, sites with existing housing will be favored over project proposing new housing;
  - b. to promote the availability of larger, family-sized units, sites with those unit types will be favored over sites without;
  - c. to promote the availability of permanent housing for households who have been homeless in Chattanooga, projects which propose serving those households with an integrated program of services and permanent housing may be targeted with RFPs specifically for those projects.
2. Each proposal received under the RFP process will be reviewed by CHA staff and evaluated to determine if it meets the minimum threshold criteria for site selection and location, unit type, and requirements for newly developed or existing housing, as set out above. Proposals meeting the threshold criteria will be prioritized according to the site- and non-site related criteria. CHA may make one or more awards of project-based vouchers for the highest-ranking proposals.

## **H. CHA-Owned Units**

1. CHA and its affiliated entities may compete for PBVs on projects owned or operated by CHA and its affiliates; however, CHA must follow the same proposal procedures and selection criteria as other property owners, and such procedures and selection must be reviewed and approved by HUD before award.
2. Determination of the rent level for each unit must be performed by an independent party approved by HUD

3. Housing Quality Inspection for each unit must be performed by an independent party approved by HUD
4. HCVP participants who reside at Maple Hills Apartments in project-based units are required to participate in the CHA's Upward Mobility Program. Failure to comply with the requirements of this program will result in the participant's forfeiture of the project-based assistance and will be subject to eviction action by the Owner.

## **I. Cap on Number of Project-Based Units in Each Building**

The CHA may not select a proposal to provide PBV assistance for units in a building or enter into an Agreement or HAP contract to provide PBV assistance for units in a building, if the total number of swelling units in the building that will receive PBV assistance during the term of the PBV HAP is more than 25% of the number of dwelling units (assisted or unassisted) in the building.

In the following cases, PBV units are not counted against the 25% per building cap:

- Units in a single-family building;
- "Excepted units" in a multifamily building; excepted units means units in a multifamily building that are specifically made available for qualifying families. "Qualifying families" means elderly or disabled families or families receiving supportive services as approved by the CHA.

To qualify, a family must have at least one member receiving at least one qualifying supportive service.

The CHA shall not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, although such services may be offered.

FSS services may include, but are not limited to, credit repair, homeownership counseling, job training, and post-secondary education.

If a family at the time of initial tenancy is receiving, and while the resident of an excepted unit has received, FSS supportive services or any other supportive services and successfully completes the FSS contract of participation or the supportive services requirement, the unit continues to count as an excepted unit for as long as the family resides in the unit.

If a family in an excepted unit fails without good cause to complete its FSS contract of participation or if the family fails to complete the supportive services requirement as outlined in this plan, the CHA will take the action provided under 24 CFR 983.261(d) and the owner may terminate the lease in accordance with 24 CFR 983.257(c).

Also, at the time of initial lease execution between the family and the owner, the family and the CHA must sign a statement of family responsibility. The

statement of family responsibility must contain all family obligations including the family's participation in a service program. Failure by the family without good cause to fulfill its service obligation will require the CHA to terminate assistance. If the unit at the time of such termination is an excepted unit, the exception continues to apply to the unit as long as the unit is made available to another qualifying family.

The CHA shall monitor the excepted family's continued receipt of supportive services on an annual basis and will take appropriate action regarding those families that fail without good cause to complete their supportive services requirement. The CHA's monitoring of the receipt of supportive services will include verification from the provider of the supportive services that the family continues to receive the services. The CHA may verify orally, however, written documentation of the verification shall be placed in the participant's file.

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

The CHA recognizes no preferences in the management of PBV waiting list. Applications will be processed based on the date and time of application.

Depending upon the nature of the PBV award, the CHA may elect to delegate the administration of the waiting list to the owner. Said delegation will be in writing and will be signed by a representative of the CHA and the owner. The CHA shall review and monitor the owner's administration of the waiting list on an annual basis and shall provide a report on any deficiencies to the owner for correction. Otherwise, the CHA shall maintain a separate project based waiting list based on date and time of application as noted above.



## **SECTION XXXII**

### **Special Housing Type – Group Home**

#### **A. Eligibility**

The following individuals residing in a group home are eligible for housing assistance under the Housing Choice Voucher Program:

1. An elderly person or a person with disabilities residing in a State-approved group home.
2. If approved by the PHA, a live-in aide may reside with a person with disabilities.
  - a. The PHA must approve a live-in aide if needed as a reasonable accommodation
3. Except for a live-in aide, all residents of a group home, whether assisted or unassisted, must be elderly persons or persons with disabilities.
4. Persons residing in a group home must not require continual medical or nursing care.
5. Persons who are not assisted under the tenant-based program may reside in a group home.
6. No more than 12 persons may reside in a group home. This limit covers all persons who reside in the unit, including assisted and unassisted residents and any live-in aide.

#### **B. Rent and voucher housing assistance payment:**

1. Meaning of pro-rata portion. For a group home, the term "pro-rata portion" means the ratio derived by dividing the number of persons in the assisted household by the total number of residents (assisted and unassisted) residing in the group home. The number of persons in the assisted household equals one assisted person, plus any PHA-approved live-in aide.
2. Rent to owner: Reasonable rent limit. (1) The rent to owner for an assisted person may not exceed the pro-rata portion of the reasonable rent for the group home.
3. The reasonable rent for a group home is determined in accordance with Sec. 982.507. In determining reasonable rent for the group home, the PHA must consider whether sanitary facilities, and facilities for food preparation and service, are common facilities or private facilities.
4. Payment standard--(1) Family unit size.
  - a. Unless there is a live-in aide, the family unit size is zero or one bedroom.
  - b. If there is a live-in aide, the live-in aide must be counted in determining the family unit size.
  - c. The payment standard for a person who resides in a group home is the lower of:

- (i) The payment standard amount on the PHA payment standard schedule for the family unit size; or
- (ii) The pro-rata portion of the payment standard amount on the PHA payment standard schedule for the group home size.
- (iii) If there is a live-in aide, the live-in aide must be counted in determining the family unit size.

### **C. Utility Allowance**

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

### **D. Housing quality standards:**

1. Compliance with HQS. The PHA may not give approval to reside in a group home unless the unit, including the portion of the unit available for use by the assisted person under the lease, meets the housing quality standards.
2. The entire unit must comply with the HQS.
3. Additional performance requirements. The following additional performance requirements apply to a group home:

#### **a. Sanitary facilities.**

- (i) There must be a bathroom in the unit.
- (ii) The unit must contain, and an assisted resident must have ready access to:
  - (A) A flush toilet that can be used in privacy;
  - (B) A fixed basin with hot and cold running water; and
  - (C) A shower or bathtub with hot and cold running water.
- (iii) All of these facilities must be in proper operating condition, and must be adequate for personal cleanliness and the disposal of human waste. The facilities must utilize an approvable public or private disposal system.
- (iv) The unit may contain private or common sanitary facilities. However, the facilities must be sufficient in number so that they need not be shared by more than four residents of the group home.
- (v) Sanitary facilities in the group home must be readily accessible to and usable by residents, including persons with disabilities.

#### **b. Food preparation and service**

- (i) The unit must contain a kitchen and a dining area. There must be adequate space to store, prepare, and serve foods in a sanitary manner.
- (ii) Food preparation and service equipment must be in proper operating condition. The equipment must be adequate for the number of residents in the group home. The unit must contain the following equipment:
  - (A) A stove or range, and oven;
  - (B) A refrigerator; and
  - (C) A kitchen sink with hot and cold running water. The sink must drain into an approvable public or private disposal system.
- (iii) There must be adequate facilities and services for the sanitary disposal of food waste and refuse, including facilities for temporary storage where

necessary.

(iv) The unit may contain private or common facilities for food preparation and service.

c. **Space and security.**

- (i) The unit must provide adequate space and security for the assisted person.
- (ii) The unit must contain a living room, kitchen, dining area, bathroom, and other appropriate social, recreational or community space.
- (iii) The unit must contain at least one bedroom of appropriate size for each two persons.
- (iv) Doors and windows that are accessible from outside the unit must be lockable.

d. **Structure and material.**

- (i) The unit must be structurally sound to avoid any threat to the health and safety of the residents, and to protect the residents from the environment.
- (ii) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts or other significant damage. The roof structure must be firm, and the roof must be weather tight. The exterior or wall structure and exterior wall surface may not have any serious defects such as serious leaning, buckling, sagging, cracks or large holes, loose siding, or other serious damage. The condition and equipment of interior and exterior stairways, halls, porches, walkways, etc., must not present a danger of tripping or falling. Elevators must be maintained in safe operating condition.
- (iii) The group home must be accessible to and usable by a resident with disabilities.

e. **Site and neighborhood.** The site and neighborhood must be reasonably free from disturbing noises and reverberations and other hazards to the health, safety, and general welfare of the residents. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps, instability, flooding, poor drainage, septic tank back-ups, sewage hazards or mud slides, abnormal air pollution, smoke or dust, excessive noise, vibrations or vehicular traffic, excessive accumulations of trash, vermin or rodent infestation, or fire hazards. The unit must be located in a residential setting.

## **SECTION XXXIII**

### **Housing Choice Voucher Homeownership Program**

#### **1. General**

Before commencing homeownership assistance for a family, the CHA shall determine that all of the following initial requirements have been satisfied: the family is qualified to receive homeownership and is in good standing with the CHA, the unit is eligible, and the family has satisfactorily completed the CHA's program of required pre-assistance homeownership counseling.

The CHA is responsible for requiring the purchaser to obtain and maintain flood insurance for units in special flood hazard areas, prohibiting assistance for acquiring unit in the coastal barrier resources system and requiring notification to the purchaser of units in airport runway clear zones and airfield clear zones. In the case of units not yet under construction at the time the family enters into the contract for sale, the additional environmental review requirements referenced in 24 CFR 982.628(e) apply, and the CHA shall submit all relevant environmental information to the responsible entity or to HUD to assist in those requirements.

#### **2. Eligibility Requirements for Families**

The CHA must first determine that a family satisfies all of the following requirements at commencement of homeownership assistance: the family has been admitted to the Housing Choice Voucher Program and is in good standing with the CHA, the family is willing to save enough money to put toward a 1% down payment on the new home, the family is enrolled in the CHA's Family Self Sufficiency Program or is willing to enroll, the family is willing to complete pre-purchase counseling and a homebuyer education class, the family is willing to attend post-purchase counseling and/or workshops, the family has a household income of at least \$13,100 per year earned from employment or is an elderly/disabled family, the family satisfies the employment requirements, the family has not lost a home because of foreclosure in the last three years, the family has not defaulted on a mortgage securing debt to purchase a home under the homeownership option, and no family member has a present ownership interest in a residence at the commencement of homeownership assistance for the purchase of any home [except for cooperative members who have acquired cooperative membership shares prior to commencement of homeownership assistance].

At commencement of homeownership assistance for the family, the family must be any of the following: a first-time homeowner, a cooperative member, a family of which a family member is a person with disabilities, and use of the homeownership option is needed as a reasonable accommodation so that the program is readily accessible to and usable by such person.

***Minimum Income Requirements*** – At commencement of monthly homeownership assistance payment of the family, or at the time of a down payment assistance grant for the family, the family must demonstrate that the annual income of the adult family members who will own the home is not less than the Federal minimum wage multiplied by 2,000 hours. In the case of a disabled family, it would be the monthly Federal Supplemental Security Income benefit for an

individual living alone (or paying his or her share of food and housing costs) multiplied by twelve; except in the case of an elderly family or a disabled family, the CHA shall not count any welfare assistance received by the family in determining annual income. This disregard of welfare assistance income only affects the determination of minimum annual income used to determine if a family initially qualifies for commencement of homeownership assistance but does not affect the determination of income eligibility for admission to the HCV Program, calculation of the amount of the family's total tenant payment (gross family contribution) or calculation of the amount of homeownership assistance payments on behalf of the family.

In the case of an elderly or disabled family, the CHA shall include welfare assistance for the adult family members who will own the home in determining if the family meets the minimum income requirement.

***Employment Requirements*** – The family must demonstrate that one or more adult members of the family who will own the home at commencement of homeownership assistance [with the exception of elderly/disabled families] is currently employed on a full-time basis (the term “full time employment” means not less than an average of 30 hours per week) and has been continuously so employed during the year before commencement of homeownership assistance for the family.

HO clients must be "continuously employed." So should a client lose a job, they would have 180 days to find employment - unless there are extenuating circumstances. The CHA shall have discretion to determine whether and to what extent interruptions are considered to break continuity of employment during the year. The CHA may count successive employment during the year and self-employment in a business.

The employment requirement does not apply to an elderly family or a disabled family. Furthermore, if a family, other than an elderly family or disabled family, includes a person with disabilities, the CHA shall grant an exemption from the employment requirement if the CHA determines that an exemption is needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

The CHA may not impose additional employment requirements.

***Prohibition Against Assistance To Family That Has Defaulted*** – The CHA shall not commence homeownership assistance for a family that includes an individual who was an adult member of a family at the time when such family received homeownership assistance and defaulted on a mortgage securing debt incurred to purchase the home.

### **3. Eligible Units**

The CHA must determine that the unit satisfies all of the following requirements: the unit is eligible, the unit is either a one-unit property including a manufactured home or a single dwelling in a cooperative or condominium, the unit has been inspected by a CHA inspector and by an independent inspector designated by the family, and the unit satisfies Housing Quality Standards [“HQS”].

Homeownership assistance may be provided for the purchase of a home where the family will not own fee title to the real property on which the home is located, but only if: the home is

located on a permanent foundation and the family has the right to occupy the home site for at least forty years.

The CHA may not commence homeownership assistance for occupancy of a home if the CHA has been informed by HUD or otherwise that the seller of the home is debarred, suspended or subject to a limited denial of participation under 2CFR part 2424.

Homeownership assistance may be provided for the purchase of a unit that is owned by the CHA that administers the assistance under the consolidated ACC (including a unit owned by an entity substantially controlled by the CHA), only if all of the following conditions are satisfied: the CHA must inform the family, both orally and in writing, that the family has the right to purchase any eligible unit and a CHA-owned unit is freely selected by the family without CHA pressure or steering, the unit is not ineligible housing the CHA must obtain the services of an independent agency to perform the HQS inspection, review the independent inspection report, review the contract of sale and determine the reasonableness of the sales price and CHA provided financing, and other supplementary guidance established by HUD.

Families may enter into contracts for sale for units not yet under construction at the time the family enters into the contract for sale. However, the CHA shall not commence homeownership assistance for the family for that unit, unless and until either the responsible entity completed the environmental review procedures and HUD approved the environmental certification and request for release of funds prior to commencement of construction or HUD performed an environmental review and notified the CHA in writing of environmental approval of the site prior to commencement of construction, construction of the unit has been completed, and the unit has passed the required HQS inspection and independent inspection.

#### **4. Additional Requirements for Family Search and Purchase**

There is no maximum time for a family to locate and purchase a home.

#### **5. Homeownership Counseling**

Before commencement of homeownership assistance for a family, the family must attend and satisfactorily complete the pre-assistance homeownership and housing counseling [“pre-assistance counseling”] program required by the CHA. The CHA shall ensure that its counseling programs administered by Chattanooga Neighborhood Enterprises, Habitat for Humanity, and other providers as identified are consistent with the homeownership counseling provided under HUD’s Housing Counseling Program.

The pre-assistance counseling shall include training on the following topics: home maintenance and grounds keeping, budgeting, money management, credit counseling, how to negotiate the price of a home, how to obtain homeownership financing and loan preapprovals, including a description of types of financing that may be available, the pros and cons of different types of financing, how to find a home, including information about homeownership opportunities, schools and transportation in the CHA jurisdiction, advantages of purchasing a home in an area that does not have a high concentration of low-income families and how to locate homes in such areas, information on fair housing, including fair housing lending and local fair housing enforcement agencies, and information about the Real Estate Settlement Procedures Act (12 U.S.C. 2601 et seq.), state and Federal truth-in-lending laws, and how to identify and avoid loans

with oppressive terms and conditions.

Additionally, the CHA may adapt the subjects covered in pre-assistance counseling to local circumstances and the needs of individual families.

The CHA may also offer additional counseling after commencement of homeownership assistance. If the CHA offers a program of ongoing counseling for participants in the homeownership option, the CHA shall have discretion to determine whether the family is required to participate in the ongoing counseling.

## **6. Home Inspections, Contract of Sale, and CHA Disapproval of Seller**

***HQS Inspection by CHA*** – The CHA may not commence monthly homeownership assistance payments or provide a down payment assistance grant for the family until the CHA has inspected the unit and has determined that the unit passes HQS.

***Independent Inspection*** – The unit must also be inspected by an independent professional inspector selected by and paid by the family. The independent inspection must cover major building systems and components, including foundation and structure, housing interior and exterior, and the roofing, plumbing, electrical and heating systems. The independent inspector must be qualified to report on property conditions, including major building systems and components.

The CHA shall not require the family to use an independent inspector chosen by the CHA. The independent inspector may not be a CHA employee or contractor, or other person under control of the CHA. However, the CHA may establish standards for qualification of inspectors selected by families under the homeownership option.

The independent inspector must provide a copy of the inspection report both to the family and to the CHA. The CHA may not commence monthly homeownership assistance payment, or provide a down payment assistance grant for the family, until the CHA has reviewed the inspection report of the independent inspector. Even if the unit otherwise complies with the HQS (and may qualify for assistance under the CHA’s tenant-based rental voucher program), the CHA shall have discretion to disapprove the unit for assistance under the homeownership option because of information in the inspection report.

***Contract of Sale*** – Before commencement of monthly homeownership assistance payments or receipt of a down payment assistance grant, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give the CHA copy of the contract of sale.

The contract of sale must specify the price and other terms of sale by the seller to the purchaser, provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser, provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser, and provide that the purchaser is not obligated to pay for any necessary repairs.

In addition to these requirements, a contract for the sale of units not yet under construction at the time the family is to enter into the contract for sale must also provide that the purchase is not

obligated to purchase the unit unless an environmental review has been performed and the site has received environmental approval prior to commencement of construction.

The construction will not commence until the environmental review has been completed and the seller has received written notice from the CHA that environmental approval has been obtained. Conduct of the environmental review may not necessarily result in environmental approval, and environmental approval may be conditioned on the contracting parties' agreement to modifications to the unit design or to mitigation actions.

Commencement of construction in violation of the above requirement voids the purchase contract and renders homeownership assistance unavailable for the purchase of the unit.

***CHA Disapproval of Seller*** – In its administrative discretion, the CHA may deny approval of a seller for any reason provided for disapproval of an owner as set forth in 24 CFR 982.306(c).

## **7. Continued Assistance Requirements – Family Obligations**

Homeownership assistance may only be paid while the family is residing in the home. If the family moves out of the home, the CHA may not continue homeownership assistance after the month when the family moves out. The family or lender is not required to refund to the CHA the homeownership assistance for the month when the family moves out.

- The family must comply with the following obligations: the family must attend and complete ongoing homeownership and housing counseling until such time that the family can secure financing from a first mortgage lender.
- The family must comply with the terms of any mortgage securing debt incurred to purchase the home (or any refinancing of such debt).
- So long as the family is receiving homeownership assistance, use and occupancy of the home is subject to obligations of the participant as required by HUD.
- The family may grant a mortgage on the home for debt incurred to finance purchase of the home or any refinancing of such debt.
- Upon death of a family member who holds, in whole or in part, title to the home or ownership of cooperative membership shares for the home, homeownership assistance may continue pending settlement of the decedent's estate, notwithstanding transfer of title by operation of law to the decedent's executor or legal representative, so long as the home is solely occupied by remaining family members.
- The family must supply required information to the CHA in accordance with Housing Choice Voucher Program regulations and this Administrative Plan.
- The family must also supply any information as required by HUD or the CHA concerning: any mortgage or other debt incurred to purchase the home, and any refinancing of such debt (including information needed to determine whether the family has defaulted on the debt, and the nature of any such default), and information on any



satisfaction or payment of the mortgage debt, any sale or other transfer of any interest in the home, or the family's homeownership expenses.

- The family must notify the CHA before the family moves out of the home.
- The family must notify the CHA if the family defaults on a mortgage securing any debt incurred to purchase the home.
- During the time the family receives homeownership assistance, no family member may have an ownership interest in any other residential property.
- The family must complete post-purchase homeownership counseling with Chattanooga Neighborhood Enterprises, Habitat for Humanity, and any other partner identified by the CHA.
- Before commencement of homeownership assistance, the family must execute a statement of family obligations in the form prescribed by HUD. In the statement the family agrees to comply with all family obligations under the homeownership option.
- The following family obligation provisions do not apply to assistance under the homeownership option: 24 CFR 982.551 (c), (d), (e), (f), (g) and (j).

## **8. Maximum Term of Homeownership Assistance**

Except in the case of a family that qualifies as an elderly or disabled family, the 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.

This maximum term applies to any family member 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 assistance for different homes, the total of such assistance terms is subject to the maximum term as described in this section.

## **9. Amount And Distribution of Monthly Homeownership Assistance Payment**

While the family is residing in the home, the CHA shall pay a monthly homeownership assistance payment on behalf of the family that is equal to the lower of: the payment standard minus the total tenant payment or the family's monthly homeownership expenses minus the total tenant payment.

The payment standard for the family is the lower of the payment standard for the family unit size or the payment standard for the size of the home.

If the home is located in an exception payment standard area, the CHA must use the appropriate payment standard for the exception payment standard areas.

The payment standard for a family is the greater of the payment standard at the commencement of homeownership assistance for occupancy of the home or the payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

The CHA shall use the same payment standard schedule, payment standard amounts, and subsidy standards for the homeownership option as for the rental voucher program.

When a client closes on a house, their 1st mortgage payment is not due until the month after the closing (i.e. Client closes in May, mortgage due in July). However, HUD requires that the family still receives the HAP for that "in between" month (June) - because they are, technically, entitled to these funds.

## **10. Homeownership Expenses [24 CFR 982.635]**

Homeownership expenses for a homeowner (other than a cooperative member) may only include amounts allowed by the CHA to cover:

- Principal and interest on initial mortgage debt, any refinancing of such debt, and any mortgage insurance premium incurred to finance purchase of the home;
- Real estate taxes and public assessments on the home;
- Maintenance repairs & Major repairs (See current schedule for monthly allowance amount);
- Monthly utility allowance (based on current utility allowance schedule for the Program);
- Home insurance;
- Principal and interest on mortgage debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to

make the home accessible for such person, if the CHA determines that allowance of such cost as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person; and

- Land lease payments (where a family does not own fee title to the real property on which the home is located).

Homeownership expenses for a cooperative member may only include amounts allowed by the CHA to cover:

- The cooperative charge under the cooperative occupancy agreement including payment for real estate taxes and public assessments on the home;
- Principal and interest on initial debt incurred to finance purchase of cooperative membership shares and any refinancing of such debt;
- Home insurance;
- CHA allowance for maintenance expenses;
- CHA allowance for costs of major repairs and replacements;
- CHA utility allowance for the home; and
- Principal and interest on debt incurred to finance costs for major repairs, replacements or improvements for the home. If a member of the family is a person with disabilities, such debt may include debt incurred by the family to finance costs needed to make the home accessible for such person, if the CHA determines that allowance of such cost as homeownership expenses is needed as a reasonable accommodation so that the homeownership option is readily accessible to and usable by such person.
- If the home is a cooperative or condominium unit, homeownership expenses may also include cooperative or condominium operating charges or maintenance fees assessed by the condominium or cooperative homeowner association.

The CHA must pay homeownership assistance payments either directly to the family or in the CHA's discretion, to a lender on behalf of the family. If the assistance payment exceeds the amount due to the lender, the CHA or its agent [e.g. Chattanooga Neighborhood Enterprises, Habitat for Humanity or other provider] shall pay the excess directly to the family.

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

## **11. Portability [24 CFR 982.636]**

A family may qualify to move outside the initial CHA jurisdiction with continued homeownership assistance under the HCV Program.

A family determined eligible for homeownership assistance by the initial PHA may purchase a unit outside of the initial PHA's jurisdiction, if the receiving PHA is administering a HCV homeownership program and is accepting new homeownership families.

In general, the portability procedures apply to the homeownership option and the administrative responsibilities of the initial and receiving PHA are not altered except that some administrative functions (e.g. issuance of a voucher or execution of a tenancy addendum) do not apply to the homeownership option.

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. Such continued assistance under portability procedures is subject to 24 CFR 982.637.

## **12. Move With Continued Tenant-Based Assistance [24 CFR 982.637]**

A family receiving homeownership assistance may move to a new unit with continued tenant-based assistance either with voucher rental assistance or with voucher homeownership assistance.

The CHA may not commence continued tenant-based assistance for occupancy of the new unit so long as any family member owns any title or other interest in the prior home.

The CHA shall advise the family on any prohibitions and or restrictions on moving from the home based on the type of loan product that the family secures [HOME, FHA loans].

The CHA shall determine that all initial requirements, including environmental requirements with respect to a unit not yet under construction, have been satisfied if a family that has received homeownership assistance wants to move to such a unit with continued homeownership assistance.

However, the following requirements do not apply:

- The requirement for pre-assistance counseling is not applicable. However, the CHA may require that the family complete additional counseling (before or after moving to a new unit with continued assistance under the homeownership option).
- The requirement that a family must be a first-time homeowner is not applicable.

The CHA may deny permission to move with continued rental or homeownership assistance if the CHA determines that it does not have sufficient funding to provide continued assistance.

At any time, the CHA may deny permission to move with continued rental or homeownership assistance.

### **13. Denial Or Termination of Assistance For Family [24 CFR 982.638]**

The CHA shall terminate homeownership assistance for the family, and shall deny voucher rental assistance for the family in accordance with the terms set out in this Administrative Plan.

The CHA may deny or terminated assistance for violation of participant obligations in accordance with the terms set out in this Administrative Plan.

The CHA shall terminate voucher homeownership assistance for any member of the family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt. The CHA, in its discretion, may permit the family to move to a new unit with continued voucher rental assistance. However, the CHA shall deny such permission 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.

### **14. Administrative Fees [24 CFR 982.639]**

The ongoing administrative fee is paid to the CHA for each month that homeownership assistance is paid by the CHA on behalf of the family.

### **15. Applicability of Other Requirements [24 CFR 982.641]**

Many provisions of 24 CFR 982 do not apply to the Homeownership Program. The CHA hereby incorporates by reference the listed provisions that are inapplicable found at 24 CFR 982.641.

## **SECTION XXXIV**

### **FAMILY SELF SUFFICIENCY PROGRAM**

#### **A. General**

The purpose of the Family Self Sufficiency Program [“FSSP”] is to enable families receiving assistance under the HCV Program to achieve economic independence and self-sufficiency. Under the FSSP, the CHA shall counsel families participating in the HCV Program about opportunities for education, job training, counseling, and other forms of social service, while living in assisted housing, so that they may obtain the education, employment, and business and social skills necessary to achieve self-sufficiency.

The Department of Housing and Urban Development [“HUD”] will measure the success of the CHA’s FSSP not only by the numbers of families who achieve self-sufficiency, but also by the number of FSSP families who, as a result of participation in the program, have family members who obtain their first job, or who obtain higher paying jobs, no longer need benefits received under one of more welfare programs; obtain a high school diploma or higher education degree, or accomplish similar goals that will assist the family in obtaining economic independence. The CHA shall maintain the FSSP program size in accordance with 24 CFR 984.105.

#### **B. Action Plan [24 CFR 984.201]**

The CHA shall maintain a FSSP Action Plan that addresses the demographics and supportive service needs of the families expected to participate in the Program, an estimate of the number of families who can reasonably be expected to receive supportive services under the FSSP, based on available resources, the family selection procedures that will be followed, incentives, outreach efforts, a description of FSS activities and supportive services, method for identification of family support needs, a description of policies relating to termination from the program and applicable grievance procedures.

The CHA’s current FSSP Action Plan is attached hereto as Appendix C.

**ATTACHMENT A**  
REASONABLE ACCOMMODATION

POLICY \_\_\_\_\_

**NOTICE TO APPLICANTS AND RESIDENTS WITH DISABILITIES  
REGARDING REASONABLE ACCOMMODATIONS**

The Chattanooga Housing Authority (CHA) and its Management Agents are committed to assisting persons with disabilities. CHA will make Reasonable Accommodations in policies, procedures, rules and services when such accommodations may be necessary to afford persons with disabilities an equal opportunity to participate in or benefit from its programs.

Requests for accommodations must be reasonable, meaning CHA is not required to provide accommodations which would cause either undue financial or administrative burden or a fundamental alteration in the nature of CHA's programs. Requests for Reasonable Accommodations will be considered on a case-by-case basis so that CHA can consider, among other factors, the cost of the requested accommodation, the benefits that the accommodation would provide to the requester and the availability of alternative accommodations that would effectively meet the requester's disability-related needs.

If you are a person with disabilities who requires a Reasonable Accommodation because of a disability or if you are making a request on behalf of a person with disabilities, here are the steps to follow:

**1. MAKE YOUR REQUEST.**

To ensure that your request is handled efficiently, CHA requests that you submit your Reasonable Accommodations request in writing. CHA has prepared a **Request for a Reasonable Accommodation form** that makes it easier for you to provide the information Management will need to process your request. Although it is not required that you use this specific form, requests made on this form or in writing will simplify processing and will help avoid misunderstandings.

**2. PROVIDE VERIFICATION OF YOUR NEED FOR THE ACCOMMODATION.**

After Management receives your request, you may be asked to direct a doctor or other professional who has direct knowledge of your disability to provide reliable Verification of the following:

- A. You are a person with disabilities and
- B. You need the requested accommodation to afford you with an equal opportunity to participate in or benefit from CHA housing programs.

The Verification may be provided on the **Certification of Need Form** that Management provides directly to the Verifier you select. The Verification may also be provided in a letter from your Verifier if it properly provides the required information. To avoid unnecessary delay, you should encourage your Verifier to submit the requested Verification within ten (10) business days of the date you submit your Reasonable Accommodations request.

**3. MANAGEMENT WILL INFORM YOU OF A DECISION.**

Management's goal is to inform you of its decision within thirty (30) calendar days following receipt of the Verifications described above, provided that sufficient information is submitted to the

manager. Your assistance in ensuring that documents are submitted in a timely manner is greatly appreciated.

If you have any questions or require additional information on the Reasonable Accommodation process, you may contact the HCVP Director at [tcarpenter@chahousing.org](mailto:tcarpenter@chahousing.org) or the TDD number at (423) 752-4830.

**REQUEST FOR REASONABLE ACCOMMODATION FOR DISABLED PERSON**

In accordance with my or person with disability’s rights I am requesting an exemption, change, or adjustment to a rule, policy, practice, by the Housing Choice Voucher Program.

**Head of Household Name:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_ **e-mail:** \_\_\_\_\_

**Name of Family Member who is Disabled:** \_\_\_\_\_  
(If, not Head of Household)

**Who qualifies as a person with a disability?** Definition of a person with a disability include (1) - individuals with a physical or mental impairment that substantially limits one or more major life activities; (2) - individuals who are regarded as having such an impairment; and (3) - individuals with a record of such an impairment.

1. Do you or the disabled household member **have a physical or mental impairment that substantially limits a major life activity?**  YES  NO  I DO NOT KNOW

2. Please describe the Reasonable Accommodation that you are requesting? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Please explain how your request for a Reasonable Accommodation relates to the disability?  
**(Please do not list a medical condition!)** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Consent: I hereby consent to allow CHA\HCVP to contact and request information from the Medical Professional listed on this form below for the purposes of verifying that I or a household member has a disability and require a reasonable accommodation. Information obtained under this consent is limited to information that is no older than 12 months. I also certify that the above information is true and accurate to the best of my knowledge.**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**DATE**



**Medical Professional with specific knowledge of your disability:**

Name: \_\_\_\_\_ Phone #: \_\_\_\_\_ Fax#:

\_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State \_\_\_\_\_ Zip

Code \_\_\_\_\_