

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

**HOUSING AUTHORITY OF THE CITY
OF RALEIGH**

November 2016

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I. STATEMENT OF POLICIES AND OBJECTIVES

The Administrative Plan of the Housing Choice Voucher Program shall be in compliance with the Department of Housing and Urban Development's (HUD) Section 8 Code of Federal Regulations (24 CFR) as well as all Federal, State and Local Fair Housing Laws and Regulations. Funding for the voucher program is allocated by Congress and administered according to the rules and regulations developed by HUD. There is no guarantee that full funding will be provided for the voucher program. If the necessary funding is not allocated, program activities are impacted. Section XV of this policy addresses the actions that may occur should funding not be available. There are also notes throughout the policy that relate to changes that may occur as a result of funding changes. The following policies and procedures have been established by the Housing Authority of the City of Raleigh (also referred to as the "Authority"):

A. MISSION STATEMENT

The mission of the Leased Housing Department of the Raleigh Housing Authority is to provide rental subsidy for safe, quality, affordable housing to low and moderate-income families in the Greater Raleigh community who meet HUD qualifications and requirements; and to promote personal responsibility and self-sufficiency of residents while maintaining the fiscal integrity of the Agency.

B. LOCAL OBJECTIVES

The Housing Authority of the City of Raleigh shall provide expanded opportunities to lower-income families by:

- (1) Providing decent, safe, and sanitary housing for very low-income families while maintaining their rent payments at an affordable level;
- (2) Promoting freedom of housing choice and spatial de-concentration of very low-income families of all races and ethnic backgrounds;
- (3) Providing an incentive to private property owners to rent to very low-income families by offering timely assistance payments.

C. FAIR HOUSING POLICY [24 CFR 982.54(D) (6)]

It is the policy of the Housing Authority to comply fully with all federal, state, and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. The RHA shall not deny any family or individual the opportunity to apply for or receive assistance under the Housing Choice Voucher Program based on race, color, sex, religion, creed, national or ethnic origin, age, familial status, handicap, or disability. To further its commitment to full compliance with applicable Civil Rights laws, the RHA will provide Federal/State/local information to voucher holders regarding unlawful discrimination and any recourse available to them if they are victims of a discriminatory act.

RHA staff may attend fair housing training and is informed of the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations to persons with disabilities, as a part of the overall commitment to quality customer service. Posters and housing information are displayed in easily readable formats in locations throughout the offices. The Housing Authority's office is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the TTY telephone service provider number 1-800-821-6922.

D. REASONABLE ACCOMMODATIONS POLICY [24 CFR 100.202]

It is the policy of the RHA to be service-directed in the administration of its housing programs, and to exercise and demonstrate a high level of professionalism while providing housing services to families. A participant with a disability must first ask for a specific change to a policy or practice as an accommodation of their disability prior to being treated differently than anyone else. The RHA's policies and practices will be designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in this Administrative Plan including when a family initiates contact with the housing authority, when the housing authority initiates contact with a family including when a family applies, and when the housing authority schedules or reschedules appointments of any kind.

To be eligible to request a reasonable accommodation, the requester must first certify (if apparent) or verify (if not apparent) that they are a person with a disability under the Americans with Disabilities Act (ADA) definition that indicates a disabled person is a person that:

- Has a physical or mental impairment that substantially limits one or more of the major life activities of an individual;
- Has a record of such impairment; or
- Is regarded as having such an impairment

Note: This is not the same as the HUD definition used for purposes of determining allowances. Rehabilitated former drug users and alcoholics are covered under the ADA. However, a current drug user is not covered. In accordance with Section 5.403, individuals are not considered disabled for eligibility purposes solely based on any drug or alcohol dependence. Individuals whose drug or alcohol addiction is a material factor to their disability are excluded from the definition. Individuals are considered disabled if disabling mental and physical limitations would persist if drug or alcohol abuse discontinued.

Once the person's status as a qualified person with a disability is confirmed, the housing authority may require that a professional third party competent to make the assessment provide written verification that the person needs the specific accommodation due to their disability and the change is required for them to have equal access to the housing program. If the RHA finds that the requested accommodation creates an undue administrative or financial burden, the RHA

may either deny the request and/or present an alternate accommodation that will still meet the need of the person.

The RHA will provide a written decision to the person requesting the accommodation. If a person is denied the accommodation or feels that the alternative suggestions are inadequate, they may request an informal hearing to review the RHA's decision. Reasonable accommodation will be made for persons with a disability that require an advocate or an accessible office. A designee will be allowed to provide some information, but only with the written permission of the person with the disability. All mailings will be made available in an accessible format upon request, as a reasonable accommodation.

Verification of Disability

Raleigh Housing Authority is entitled to obtain information that is necessary to evaluate if a requested reasonable accommodation may be necessary because of a disability.

A. If the requester's disability is obvious or otherwise known to the provider, and if the need for the requested accommodation is also readily apparent or known, Raleigh Housing Authority will not request any additional information.

B. If the requestor's disability is obvious, but the need for the accommodation is not readily apparent or known, Raleigh Housing Authority may request information that is necessary to evaluate the disability related need for the accommodation.

C. If the requestor's disability is not obvious, Raleigh Housing Authority may request reliable disability-related information that (1) is necessary to verify that the person meets the Fair Housing Act's definition of disability (i.e. has a physical or mental impairment that substantially limits one or more major life activities), (2) describes the needed accommodation, and (3) shows the relationship between the person's disability and the need for the requested information.

E. OWNER OUTREACH

The Housing Authority encourages owners of decent, safe and sanitary housing units to lease to Voucher families. The Housing Authority will make available a list of websites to be used in the housing search.

In addition, the Housing Authority encourages participation by owners of units located outside areas of poverty or minority concentration. An area is considered an area of poverty concentration if it is located within a census tract with a poverty rate greater than 10% based on the most recent United States Census data. A map showing the current areas of poverty concentration in Wake County will be kept on file at the administrative offices for the Housing Authority and is available for public review upon request. The Housing Authority will use the information gained from this map to help inform voucher holders about the full range of areas where they may locate housing.

The Housing Authority's strategies for landlord outreach may include:

- Regular informational workshops and seminars to explain the voucher program
- Brochures displayed in the Leased Housing Department and Housing Authority Webpage(rhaonline.com)
- Promotion of a positive image of the program by the Housing Inspectors while doing field inspections
- Landlord Newsletter
- Staff presentations
- Public meetings and events upon request.

In addition, the following actions may also be taken by the Housing Authority, as needed, to encourage participation by owners of units located outside areas of poverty or minority concentration:

- Membership in the Triangle Apartment Association.
- Informational mailings about the Voucher program to property owners with rental units in areas of low poverty concentration.

F. NONDISCRIMINATION

The Housing Authority does not discriminate on the basis of race, color, religion, sex, national origin, creed, age, familial status or handicap as established by Title VI of the Civil Rights Act of 1964, the objectives of the U.S. Housing Act of 1937 and its amendments, title VIII of the Civil Rights Act of 1968, Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975.

G. RIGHT TO PRIVACY

All adult members of both applicant and tenant households are required to annually sign HUD Form 9886, Authorization for Release of Information and Privacy Act Notice. The Authorization for Release of Information and Privacy Act Notice states how family information will be released and includes the Federal Privacy Act Statement.

II. ELIGIBILITY FOR ADMISSION

A. ELIGIBILITY FACTORS

To be eligible for participation, an applicant must meet all of the following criteria:

- (1) The Applicant must qualify as a "family" as defined in Appendix 1;
- (2) Annual income does not exceed the Maximum Income Limits for Admission as established by HUD. Current Income limits are found in Appendix 2;
- (3) Verifications of Social Security numbers, birth certificates for all members of the household and a completed application for housing are on file with the Authority;
- (4) Proof of Citizenship/Eligible Immigrant Status is furnished;

- (5) No family member may have been terminated from the Housing Choice Voucher Program within the last (5) years.
- (6) An applicant who has in the past vacated a public housing or voucher unit and still owes rental or other balances to the Authority must pay the balance in full;
- (7) No family member may have committed any misdemeanor drug related or violent criminal activities within the last 5 years or felonious drug-related or violent criminal activities within the last 7years (*An exception may be granted by the Authority if the family member who violated the family obligation is not a current member of the household, not on the application, will not reside in the unit, and can prove residence elsewhere);
- (8) No family member may have committed fraud, bribery or any other corrupt or criminal activity in connection with any federal program;
- (9) No family member may have engaged in or threatened abusive or violent behavior toward Housing Authority personnel or members of its Board of Commissioners.
- (10) No family member may have been evicted from any federally assisted housing in the last five years.
- (11) No family member may have a pattern of alcohol abuse that may adversely affect the health, safety or right to peaceful enjoyment of the premises by other residents.
- (12) No family member may have been convicted of manufacturing or producing methamphetamine.
- (13) No family member may be registered under the state Sex Offender Registration Program.

The family's initial eligibility for placement on the waiting list will be made with an applicant's pre-application statement of income eligibility. Changes that occur during the period between placement on the waiting list and issuance of a voucher may affect the family's eligibility. In addition to the eligibility criteria, families must also meet the Raleigh Housing Authority screening criteria in order to be admitted to The Housing Choice Voucher Program. The screening process continues until the first reason for disqualifying. Should that reason be overturned through appeal, the staff will continue the screening process until all required screening has been completed.

B. RESTRICTIONS ON ASSISTANCE TO NON-CITIZENS

The Housing Authority will follow HUD requirements (24 CFR Part 982 Guidebook, Part 5, subpart E) in determining eligibility and proration of assistance.

C. NOTICE OF INELIGIBILITY/ELIGIBILITY

Families determined to be ineligible shall be notified in writing of the reason(s) therefore. Any applicant determined to be ineligible will have at least an exemption as outlined in Section II A of this plan from being able to reapply for housing assistance. Eligible applicants will be notified in writing.

D. APPEAL OF INELIGIBLE DETERMINATION

Denied applicants may request an informal review of the determination by filing a written request within ten (10) business days of notification of denial and submitting it to the Housing Authority.

E. INFORMAL REVIEW PROCESS

When an Informal Review Is Required: An Informal Review is a review of an applicant's file and circumstances by a Housing Authority staff person. An applicant who is denied a place on the waiting list, denied issuance of a Housing Choice Voucher, or denied participation in the program after the voucher is issued shall be provided an opportunity for an Informal Review of the Housing Authority's decision. The denial or termination of assistance on the basis of ineligible immigration status requires an Informal Hearing as provided in 24 C.F. R. § 5.514 as discussed in Section XI C of this plan.

When an Informal Review Is Not Required: Informal Reviews are not required for the following:

1. Discretionary administrative determinations by the Housing Authority, including, but not limited to, determinations as to what constitutes a complete application, how and when applications will be assigned for review, and what resources will be devoted to the review of a particular application or applications in general;
2. General policy issues or class grievances, such as local preferences and income eligibility;
3. The determination of the family unit size under the Housing Authority's subsidy standards;
4. A determination not to approve an extension or suspension of a voucher term;
5. A determination not to grant approval of the tenancy;
6. A determination that a unit selected by an applicant is not in compliance with Housing Quality Standards (HQS); or
7. A determination that unit is not in accordance with HQS due to family size or composition.

Notice of Denial and Procedure for Requesting Informal Review: The Housing Authority will give an applicant for the voucher program prompt notice of a decision that denies the applicant a place on the waiting list, issuance of a Housing Choice Voucher, or participation in the program after the voucher is issued. The notice will contain a brief statement of the reasons for the Housing Authority's decision.

When an application is denied because of criminal activity described in a criminal record, the Housing Authority will provide a copy of the criminal record upon which the denial decision is based to the applicant upon request.

The notice of decision will alert the applicant that he or she may request an Informal Review of the decision within 10 business days of the date of the denial of assistance and will describe how to obtain the Informal Review.

Request for Informal Review: A request for an Informal Review must be submitted in writing to the Housing Authority no later than 10 business days from the date of the Housing Authority's denial notice. The request should be mailed or hand-delivered to the Leased Housing Department reception desk at the Housing Authority's offices located at 900 Haynes Street, Raleigh, North Carolina, 27604.

If the Housing Authority does not receive the applicant's written request for an Informal Review within 10 business days of the date of the Housing Authority's denial notice, then the family waives its right to a review, and the Housing Authority's decision becomes final.

Procedure for Informal Review: The Informal Review will be conducted by any person or persons designated by the Housing Authority ("Review Officer"), other than a person who made or approved the decision under review or a subordinate of this person.

The applicant will be given the opportunity to present oral or written objections to the decision. The applicant may, at the applicant's own expense, be represented by an attorney or other representative. This representation does not give the representative the authority to act on the behalf of a participant or access to all the information regarding the participant. The Informal Review will concern only the issues directly related to the Housing Authority decision in question.

When an applicant is denied assistance because of criminal activity as shown by a criminal record, the applicant family will be given the opportunity to dispute the accuracy and relevance of the criminal record.

Written notice of the Review Officer's decision will be provided to the applicant within 14 business days after the date of the Informal Review. The written decision will provide a brief statement of the reasons for the decision. There is no further appeal process for applicants beyond this Informal Review process.

All requests for an Informal Review, supporting documentation, and a copy of the final decision will be retained in the applicant's file.

Failure to Appear for an Informal Review: After an Informal Review date is agreed upon, the applicant may request to reschedule or continue the hearing only upon a showing of "good cause". Good cause is defined as an emergency situation that will seriously affect the health, safety or long-term welfare of the applicant family. The review will be rescheduled, in any event, only one time. If the applicant fails to appear for a review and has not successfully

rescheduled it at least 48 hours in advance, then the applicant will be deemed to have waived his/her or their right to a review, and the Housing Authority's decision becomes final.

III. APPLICATION AND TENANT SELECTION

A. APPLICATION PROCESSING

The application process will involve three (3) phases. The first is the initial application for housing assistance. The application form requires the family to provide minimal identifier information including name, phone number, family composition and family unit size, racial or ethnic designation of the head of household, income level and information establishing any preferences to which they may be entitled. This first phase results in the family's placement on the waiting list if deemed apparently eligible.

The second phase is when the family nears the top of the waiting list, the Housing Authority may send an "interest" letter to the family. The "interest" letter requires the family to submit updates to the application along with indicating if they are still in need of housing from RHA. The Housing Authority will remove the family's name from the waiting list if they fail to respond to this letter within thirty (30) days from the date of the letter.

The third phase is the final determination of eligibility, referred to as the full application. The full application review for approval occurs once the family has reached the top of the waiting list and RHA sends an "appointment" letter to the family. RHA will ensure that verification of all preferences, eligibility, and suitability selection factors are current in order to determine the family's final eligibility for admission into the Housing Choice Voucher Program (HCVP).

The Housing Authority may reinstate a disabled applicant to their original position on the waiting list if they failed to respond to the Housing Authority's correspondence and if their lack of response was due to their disability. Reinstatement may be made if the disabled applicant submits a reinstatement request in writing within ninety (90) days from the date of the Housing Authority's correspondence.

Under current statutes, at least 75% of the families admitted to the tenant based program during the Authority's fiscal year will be families whose annual income does not exceed 30% of the area median income, with adjustments for smaller and larger families (as determined by HUD).

B. SPECIAL ADMISSIONS

When HUD gives the Housing Authority funds for specific families living in identified units (e.g., tenants living in a Section 23 project being converted to Vouchers, tenants of public housing units being demolished, tenants of moderate rehabilitation projects with expiring HAP contracts, opt-outs and prepayment of mortgages), the Housing Authority may admit eligible families without putting the family's name on the waiting list or without regard to waiting list position. For opt-outs and prepayments a special voucher referred to as "an enhanced voucher" will be issued to eligible tenants who were residing in the unit at the time of the opt-out or prepayment.

All Special Admissions must be approved by the RHA Board of Commissioners on a case by case basis.

- (1) Domestic violence – The applicant must have a restraining order in place against the abuser, certification that the applicant is currently receiving counseling from an agency certified to provide such counseling (the agency must make the referral), agree to trespass the abuser from the voucher property, and agree to provide the above information prior to receiving housing assistance. The Housing Authority will accept only five (5) referrals per fiscal year for voucher assistance.

- (2) Support Circle referrals– In support of the Ten Year Plan to End Homelessness and in response to requests from the community, RHA has agreed to offer a preference for graduates of the Support Circle program. These are homeless families that have successfully participated in the Support Circle program offered by a number of faith-based organizations. The families still have to meet all other eligibility requirements for voucher assistance. These families will receive a Welfare-to-Work voucher and will have to maintain full time work of at least 35 hours per week in order to maintain the voucher. This assistance will initially provide vouchers for up to 20 families in the first year. If the pilot program is successful, RHA will continue this preference up to a maximum of 200 vouchers over ten years.

C. REMOVAL FROM WAITING LIST AND PURGING

If an applicant fails to respond to a mailing from the Housing Authority within thirty (30) days from the date of the correspondence, the applicant will be removed from the waiting list. If a letter is returned from the Post Office, the applicant will be removed without further notice, and the envelope and letter will be maintained in the electronic file.

D. TENANT SELECTION

There are three (3) selection preferences for The Housing Choice Voucher Program. Each preference will be given a value when placed on the waiting list. Families are selected by date and time from the preference list and by the accumulated points as follows:

- 18 Points 25%
- 15 Points 25%
- 13 Points 25%
- 10 Points 25%

1. Elderly or disabled (Singles, families or both)-(5)
 - a) Elderly – The applicant must provide verification of age (elderly is defined as 62 years of age or older).

 - b) Disabled – The applicant must: provide proof of receipt of disability payments under Section 223 of the Social Security Act, be a person with developmental disability as defined in Section 10 (7) of the Developmental Disabilities Assistance Act, provide a record or statement from a medical provider of any other impairment that is expected to

be long-term or provide proof of an impediment to the ability to live independently where the nature of the impairment could be improved by more suitable living conditions. (See the definition of “Disabled” in Appendix 1.)

2. Residency – (10) Applicant must be a Wake County resident or can provide proof that employment has been secured in Wake County in order to receive preference.
3. Working-(3) Applicants must be working 20 hours per week and have been employed for at least 6 months. Applicant must provide verification of working. (Check Stubs)

The date and time of application will be utilized to determine the sequence within the above-prescribed preferences. Notwithstanding the above, if necessary to meet the statutory requirement that 78% of newly admitted families in any fiscal year be families who are extremely low-income (unless a different target is agreed to by HUD), the Raleigh Housing Authority retains the right to skip higher income families on the waiting list to reach extremely low-income families. This measure will only be taken if it appears the goal will not otherwise be met. To ensure this goal is met, the Housing Authority will monitor incomes of newly admitted families and the income of the families on the waiting list.

All other eligible applications will be filed and selected based on date and time of pre-application. All unit sizes will be consolidated into one voucher waiting list. When there is insufficient funding available, the Housing Authority does not select any other applicant until funding is available for the applicant at the top of the waiting list.

E. APPLICATION INTERVIEW

- (1) The head of household and family members 18 years of age and older will be required to participate in a full application interview with a Housing Authority representative where the applicant will be required to furnish and certify complete and accurate information. If the applicant misses a scheduled interview, the Housing Authority may reject the application.
- (2) If the Housing Authority determines at or after the interview that additional information or document(s) are needed, the Housing Authority will request the document(s) or information be submitted to the Housing Authority. If the information is not supplied within the specified timeframe, the Housing Authority will provide the family a notification of denial of assistance.
- (3) A live-in aide may reside in the unit to provide necessary supportive services for a member of the assisted family who is a person with disabilities. The live-in aide will be counted in determining the family unit size under the Housing Authority’s subsidy standards. The Housing Authority may refuse to approve a particular live-in aide if he/she does not meet the eligibility requirements referred to in Section II, A (Eligibility Factors). Eligibility for live-in aid will be reviewed annually.

F. VERIFICATIONS

The Housing Authority ensures that the verification of all HUD and Housing Authority eligibility factors is current in order to determine the family's eligibility for issuance of a voucher. Verifications may not be more than sixty (60) days old at the time of issuance of the voucher. If the family is determined to be eligible, a briefing will be scheduled for the issuance of a voucher and the family's orientation to the housing program.

The Housing Authority may enhance the screening process of applicants in the area of income verifications by accessing the wage data of the Employment Security Commission (ESC), Enterprise Income Verification (EIV) System or other sources that may be available to the Housing Authority.

G. CLOSING AND OPENING THE WAITING LIST

The Housing Authority may stop taking applications (entirely or for specific categories of applicants) when there are not enough voucher slots to assist all applicants in a reasonable period of time. Even when the list is closed, the Housing Authority may continue to accept applicants that qualify for preferences unless the Authority determines that there is an adequate pool of preference holders already on the list.

If the waiting list is to be closed, the Authority will publish a public notice prior to closing the waiting list. Before re-opening the waiting list, the Authority will announce the new application process before applications can be taken. The notice will be published in local newspapers of general circulation and in minority media.

H. PURGING THE WAITING LIST

The Raleigh Housing Authority will update and purge its waiting list at least annually to ensure that the pool of applicants reasonably represents interested families. Purging also enables the Housing Authority to update the information regarding address, family composition, income category and preferences. An applicant family will be allowed 30 business days to respond to the waiting list update.

IV. VOUCHER ISSUANCE AND BRIEFINGS

A. ISSUANCE OF VOUCHER

The number of vouchers issued will ensure that the Housing Authority stays as close as possible to 100% lease-up under the statutes, regulations, and guidelines in effect at the time. A calculation is performed to determine whether applications can be processed, the number of vouchers that can be issued, and whether and to what extent the Housing Authority can over-issue.

B. VOUCHER TIMEFRAME

During the briefing session, each household that has met program requirements and appears to be eligible will be issued a voucher, which represents a contractual agreement between the Housing Authority and the family specifying the rights and responsibilities of each party. It does not constitute admission to the program, which occurs when the lease and contract become effective and the unit passes the Housing Authority's inspection. The voucher is valid for a period of sixty (60) calendar days from the date of issuance unless it is terminated due to insufficient funding or the family becomes ineligible.

The family must submit a Request for Tenancy Approval form (HUD - 52517) within the sixty (60) day period. RHA, at its sole discretion, may grant an extension of search not to exceed 120 calendar days from the initial date of issuance without an extraordinary reason. All requests must be in writing and received prior to the voucher expiration date.

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

If the voucher has expired, and has not been extended by the Housing Authority or expires after an extension, the family will be denied assistance. The family will not be entitled to a review or hearing. If the family is currently assisted, they may remain as a participant in their unit if there is an assisted lease/contract in effect.

D. TOLLING/SUSPENSION

Tolling/Suspension is stopping the clock on the term of a family's housing choice voucher, for such period as determined by the housing authority, from the time when the family submits a request for housing authority approval to lease a unit, until the time when the housing authority approves or denies the request.

Tolling will only be applied in the following events: the family is unable to afford the rent, the Landlord is no longer willing to rent the unit to the family, or the unit is not recommended for the program.

E. SUBSIDY STANDARDS

The Housing Authority does not determine who shares a bedroom/sleeping room, but there must be at least one person per bedroom on the voucher. The unit size on the voucher remains the same as long as the family composition remains the same, regardless of the actual unit size rented. The Housing Authority may grant exceptions from the standards if the family requests and the Housing Authority determine the exceptions are justified by the health or disability of

family members, or other circumstances. Requests based on health-related reasons must be specific to the need and must be verified in writing by a doctor or medical professional.

The following standards shall provide guidelines for the number of bedrooms recommended to accommodate each family without overcrowding or over housing:

Voucher Size	Persons in Household (Minimum #)
0 Bedroom	1
1 Bedroom	1
2 Bedroom	2
3 Bedroom	4
4 Bedroom	6
5 Bedroom	8
6 Bedroom	10

F. ANNUAL INCOME, ASSETS AND ALLOWANCES

- (1) Annual income is the anticipated total income from all sources available to the family, including all **gross** income derived from assets for the twelve (12) month period following the effective date of the initial determination or re-examination. The complete list of income sources used to determine rent amounts can be found in **Appendix 3**.
- (2) There are a number of income sources, which are not considered in determining eligibility and rent payments. The complete list can be found in **Appendix 4**.
- (3) There are certain deductions allowed from gross income to determine the Adjusted Income. These deductions are listed in **Appendix 5**.
- (4) There are no minimum income requirements. Families who report zero income **will** be required to complete a written certification every thirty (30) days. **(This references that the entire household receives no income.)**
- (5) Total Tenant Payment (TTP) – A family renting a unit below the Housing Authority’s payment standard pays as gross rent the highest of:
 - 30 percent of Monthly Adjusted Income; or
 - 10 percent of Monthly Income; or
 - the Housing Authority’s minimum rent; or
 - the welfare rent (an amount specifically designated for shelter and utilities that is subject to adjustments by the welfare assistance agency and is currently not available in North Carolina)

A family renting a unit above the Housing Authority’s payment standard pays the highest of the following plus any rent above the payment standard.

- 30 percent of Monthly Adjusted Income; or
- 10 percent of Monthly Income; or
- the Housing Authority’s minimum rent; or

- the welfare rent (an amount specifically designated for shelter and utilities that is subject to adjustments by the welfare assistance agency and is currently not available in North Carolina)
- (6) If the family reports changes in factors that will affect the Total Tenant Payment prior to the effective date of the HAP Contract, the information will not be accepted. Note: changes will only be accepted after the execution of the HAP Contract.
 - (7) Maximum Initial Rent Burden – A family must not pay more than 40% of adjusted income for rent when the family first receives voucher -based assistance for occupancy of a particular unit. The maximum initial rent burden requirement is applicable each time a family moves to a new unit.
 - (8) Annual income also includes income from assets earned during the 12-month period and to which any family member has access. A summary of Asset Inclusions and Exclusions can be found in **Appendix 6**. As long as permitted by HUD, Raleigh Housing Authority will allow families to self-certify having assets of less than \$5,000.
 - (9) Adjusted income is the annual income of the members of the family residing in or intending to reside in the dwelling unit, less the following mandatory deductions:
 - \$480 for each dependent
 - \$400 for any elderly family or disabled family
 - Child Care
 - Disability assistance; and
 - Medical expenses

G. UTILITY ALLOWANCES AND UTILITY REIMBURSEMENT PAYMENTS

- (1) The utility allowances are based on actual rates and average consumption studies, not on a family's actual consumption. The Housing Authority will review the Utility Allowance Schedule on an annual basis and revise if needed.
- (2) After Total Tenant Payment is determined, an amount will be deducted to allow for the balance of utility costs not included in the rent. This calculation will be based on the actual unit size selected and not the unit size for which a family qualifies.
- (3) Where the utility allowance exceeds the family's Total Tenant Payment, the Housing Authority will provide a utility reimbursement check each month. The initial check may be made payable either to the tenant or directly to the utility company. The voucher holder should provide RHA with a copy of their electric bill prior to the second month of RHA utility assistance payment. The Housing Authority does not need the permission of the family to pay the Utility Reimbursement Payment directly to the utility company.
- (4) On request from a family that includes a person with disabilities, the Housing Authority may approve a utility allowance that is higher than the amount on the Utility Allowance Schedule if a higher utility allowance is needed as a reasonable accommodation.

H. MINIMUM RENT

The Housing Authority adopted a minimum rent policy effective September 1, 2004. The minimum rent amount increased from \$0 to \$50.

I. REQUEST FOR TENANCY APPROVAL (RFTA)

- (1) After families are issued a voucher, they may search for a unit anywhere within the jurisdiction of the Housing Authority (Wake County).
- (2) The family will not be permitted to submit more than one request at a time.
- (3) The submitted Request for Tenancy Approval will be disapproved if the maximum initial rent burden is over 40% of the adjusted income.
- (4) The Request for Tenancy Approval must be submitted by the family within the term of the voucher (60 days). The HUD tenancy addendum must be attached and executed to all leases. The initial term of the lease must be for one year unless the Housing Authority determines a shorter term will improve housing opportunities and is the prevailing market practice.
- (5) If a request is disapproved, and there is part of the voucher term remaining, the Housing Authority will furnish another Request for Tenancy Approval (RFTA) to the family so that the family can continue to search for eligible housing.

J. SECURITY DEPOSIT REQUIREMENTS

Security deposits charged by owners may not exceed those charged to unassisted tenants or the maximum prescribed by State or Local law. The Housing Authority does not assist with payment of security deposits.

K. FAMILY BREAKUP

If a court determines the disposition of property between members of the assisted family in a divorce or separation under a settlement or judicial decree, the Housing Authority is bound by the court's determination of which family members continue to receive assistance in the program. In those instances when there is no determination by a court, the Housing Authority will consider which family member was the head of household when the voucher was initially issued.

When the breakup of the family results in a reduction of the size of the voucher, the family will be required to move to a smaller unit if the current landlord is unwilling to accept the rent level of the smaller size voucher.

L. TEMPORARILY/PERMANENTLY ABSENT FROM UNIT

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

"Temporarily Absent" is defined as away from the unit for less than 30 days. It is the family's responsibility to notify RHA of all absences, whether temporary or permanent, and also when those deemed absent return to the home.

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

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

Absence of Any Member

Any member of the household will be considered permanently absent if he/she is away from the unit for a 30-day period in a 12-month cycle, except as otherwise provided in this chapter.

Absence due to Medical Reasons

If any family member leaves the household to enter a facility such as hospital, nursing home, or rehabilitation center, RHA will seek advice from a reliable qualified source as to the likelihood and timing of their return. If the verification indicates that the family member will be permanently confined to a nursing home, the family member will be considered permanently absent. If the verification indicates that the family member will return in less than 30 days, the family member will not be considered permanently absent.

If the person who is determined to be permanently absent is the sole member of the household, assistance will be terminated in accordance with RHA's "Absence of Entire Family" policy.

Absence Due to Incarceration

If the sole member is incarcerated for more than 30-days, he/she will be considered permanently absent. Any member of the household, other than the sole member, will be considered permanently absent if incarcerated for 90-days. RHA will determine if the reason for incarceration is for drug-related, violent criminal activity or probation violation.

Absence of Children due to Placement in Foster Care

If the family includes a child or children temporarily absent from the home due to placement in foster care, RHA will determine from the appropriate agency when the child/children will be returned to the home.

If the period is to be greater than **6** months from the date of removal of the child/children, the voucher size will be reduced. If all children are removed from the home permanently, the voucher size will be reduced in accordance with RHA's subsidy standards.

Absence of Entire Family

These policy guidelines address situations when the family is absent from the unit, but has not moved out of the unit. In cases where the family has moved out of the unit, RHA will terminate assistance in accordance with appropriate termination procedures contained in this Plan.

Families are required both to notify RHA before they move out of a unit and to give RHA information about any family absence from the unit.

Families must notify RHA in writing at least 1 day before leaving the unit or no less than 5 days after leaving the unit if they are going to be absent from the unit for more than 30-days. If the entire family is absent from the assisted unit for more than 30-days, the unit will be considered to be vacated and the assistance will be terminated.

If it is determined that the family is absent from the unit, RHA may continue assistance payments for a maximum of 1 month.

In order to determine if the family is absent from the unit, RHA may:

- Write letters to the family at the unit;
- Telephone the family at the unit;
- Conduct a special inspection; or
- Contact the landlord.

A person with a disability may request an extension of time as an accommodation if the extension does not go beyond the HUD-allowed 180 consecutive calendar day's limit. If the absence, resulting in the termination of assistance, was due to a person's disability; and RHA can verify that the person was unable to notify RHA in accordance with the family's responsibilities, and if funding is available, RHA may reinstate the family as an accommodation if requested by the family, as long as the period was less than 180 days.

M. VISITORS

Any adult not included on the HUD form 50058 who has been in the unit more than 14 calendar days (including weekends) within a 12- month period without PHA approval will be considered living in the unit as an unauthorized household member.

Absence of verifiable evidence of any other address will be considered verification that the visitor is a member of the household. Statements from neighbors and/or the landlord may be considered in making the determination.

Use of the unit address as the visitor's current residence for any purpose that is not explicitly temporary shall be construed as permanent residence. The family must provide proof that the

individual is a visitor. In the absence of such proof, the individual will be considered an unauthorized member of the household and RHA will terminate assistance since prior approval was not requested for the addition.

Minors and full-time college students who were part of the family but who now live away from home during the school year and are no longer on the lease may visit for up to 120 days per year without being considered a member of the household.

In a joint custody arrangement, if the minor is in the household less than 183 days per year, the minor will be considered an eligible visitor and not a family member.

N. REPORTING ADDITIONS TO OWNER AND RHA

Reporting changes in household composition to RHA is both a HUD and an RHA requirement.

The family obligations require the family to request Raleigh Housing Authority's approval to add any other family member as an occupant of the unit and to inform RHA of the birth, adoption or court-awarded custody of a child.

The family must request prior approval from the Landlord and RHA of additional household members in writing prior to the family member being added to household (except for newborns of the family members presently in the household). If any new family member is added, the income of the additional member will be included in the family income as applicable under HUD regulations. The criminal records of each adult will be checked prior to adding them to the household.

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

An interim reexamination will be conducted for any additions to the household.

When reporting the birth of a child, submit a certified copy of the birth certificate and a copy of the Social Security card.

O. REPORTING ABSENCES TO RHA

Reporting changes in household composition is both a HUD and an RHA requirement. If a family member leaves the household, the family must report this change to RHA, in writing, within 30 days of the change and certify as to whether the member is temporarily absent or permanently absent. RHA will conduct an interim **reexamination** for changes, in accordance with the interim policy.

P. RENT LIMITATIONS

The sum of the contract rent and any allowance for utilities and other services shall not exceed applicable Fair Market Rents (FMR), established by HUD. The Housing Authority may set a

payment standard that is 90% to 110% of the published FMR. As of January 1, 2015 the payment standard set by the Authority is 100% of the published FMR. HUD can approve a higher exception payment standard for a designated part of the FMR area (called “exception area”). Rent reasonableness will still be used as a measure of whether the rent is approvable.

Rent Formula – Maximum Subsidy is the lower of: (1) the payment standard minus TTP or (2) gross rent minus TTP. Effective 10/1/99, the rent formula will apply to all new admissions, moves and new lease.

Q. ELIGIBLE TYPES OF HOUSING

The Housing Authority will follow HUD requirements (24 CFR 982.352) in approving housing types in the voucher program.

R. INFORMATION TO BE PROVIDED TO PROSPECTIVE OWNERS

Due to the Privacy Act the Housing Authority does not release information to prospective owners.

S. ILLEGAL DISCRIMINATION

Under the Fair Housing Act, it is against the law for an owner to discriminate against a family based on race, color, national origin, religion, sex, familial status or a disability. If a family believes that their rights have been violated (including sexual harassment), the family should promptly contact RHA. If the family wants to notify another entity a referral can be made to HUD or a State or local Fair Housing Agency. Families have one year from the date of the alleged act of discrimination to file their complaints. HUD-903.1 discrimination forms are distributed to all voucher holders at the time of the briefing and are available at the Leased Housing office. The information collected will be used to investigate and to process the housing discrimination complaints.

T. HOUSING SEARCH ASSISTANCE FOR DISABLED FAMILIES

Many disabled families may be unfamiliar with the Wake County jurisdiction and the location of accessible units. RHA no longer maintains a listing of available housing. However, RHA is able to supply a list of websites to utilize in the search for a unit. These websites are not maintained or associated with the Raleigh Housing Authority; the information available on the websites is subject to change without notice.

Staff may identify accessible units through resources at its disposal and make contact with the owners on behalf of the disabled family and encourage them to accept the voucher. Staff may also be available to assist a disabled family in negotiating contract rent.

Sometimes people with disabilities may need a reasonable accommodation in order to take full advantage of the voucher program and related services. The Housing Authority will follow HUD guidelines in granting reasonable accommodations. Requests for reasonable accommodations should be specific to need and submitted in writing as soon as the need is known to the family. Section I D provides more information on requesting and processing of requests for reasonable accommodation.

U. VICTIMS OF DOMESTIC VIOLENCE ACT

Congress passed into law the Violence Against Women Act and Department of Justice Reauthorization Act of 2007 (VAWA). This act requires housing authorities to include information regarding its goals, activities, objectives, policies or programs intended to support or assist victims of domestic violence, dating violence, sexual assault or stalking in its policies and procedures. RHA has a limited preference in both the voucher and public housing programs for victims of domestic violence. This preference is available to five (5) voucher holder families per year and will continue. RHA will implement the directives of VAWA in regards to termination of assistance and criminal activity. Victims may complete the Certification of Domestic Violence, Dating Violence or Stalking that is provided by HUD or provide the same information in another format. The staff will assist the family in preparing the required certification. Victims seeking VAWA protection must complete the certification within 14 days of the incident and also pursue restraining orders and other protections offered under state law. To assist the family, RHA may approve an emergency move as well as provide referrals to local service providers with the expertise to assist domestic violence victims. Families are expected to follow through with these referrals in order to prevent future occurrences.

V. CONTRACT EXECUTION/TERMINATION

A. HOUSING ASSISTANCE PAYMENT CONTRACT

- (1) The Housing Assistance Payment (HAP) Contract is the contract between the owner and the Housing Authority, which defines the responsibilities of both parties and must be executed each year. The initial term of the lease is for at least 1 year (12 months). The term of the HAP contract begins on the first day of the initial term of the lease or the passed inspection date, whichever is later. Copies of the document will be furnished to the owner.
- (2) The HAP Contract may not be executed more than sixty (60) days after commencement of the lease term or the passed inspection date (whichever is later). No payments will be made until the contract is executed and the unit passes the inspection. The Director, Assistant Director of Leased Housing, and the Housing Supervisor are authorized to execute the HAP Contract.
- (3) Owners must provide an Employer's Identification Number or Social Security Number.
- (4) The owner is responsible for performing all of the owner's obligations under the HAP Contract and the lease. Changes in ownership may require the execution of a new HAP contract and potentially a new lease agreement.
- (5) The amount of the monthly housing assistance payment to the owner is determined by the Housing Authority in accordance with HUD regulations and other requirements. The

amount of the housing assistance payment is subject to change during the HAP Contract term.

- (6) The family is not responsible for payment of the portion of rent to owner covered by the housing assistance payment under the HAP Contract between the owner and the Housing Authority. If the family continues to occupy the unit after the HAP contract is terminated, the family is solely responsible for the total amount of rent due to the owner.
- (7) HA usually pays subsidy on the second business day of the month contingent upon the timely receipt of HAP funds from HUD. The owner may keep the housing assistance payment for the month when the family moves out of the unit. The term of the *assisted* lease for the new *assisted* unit (consider using assisted in the previous phrase only once - either assisted lease or assisted unit - not both) may begin during the month the family moves out of the first assisted unit. Overlap of the last housing assistance payment (for the month when the family moves out of the old unit) and the first assistance payment for the new unit, is not considered a duplicate housing subsidy. (24 CFR 982.311d2)

B. MANAGEMENT COMPANY

If an Owner desires to hire a property Management Company to oversee the day to day operation of the properties under the HAP contract, the Owner and the Management Company must complete and submit the RHA Management Company Notification Form to be reviewed for approval by RHA. The documents listed below must be completed and submitted to the RHA within five (5) business days of the hiring decision and management contract implementation.

- 1. RHA Management Company Notification Form
- 2. RHA Management Company Application
- 3. Copy of Management Agreement
- 4. Tax Identification Number or Social Security Number. (IRS W-9 Form)
- 5. RHA Direct Deposit Form with required bank documentation

C. HAP CONTRACT TERMINATION

The HAP Contract between the owner and the Housing Authority may be terminated by the Housing Authority, or by the owner or by the tenant terminating the lease in accordance with the lease provisions. If the family continues to occupy the unit after the HAP Contract is terminated, the family is solely responsible for the total amount of rent due to the owner. The Housing Authority will provide the owner and family with at least thirty (30) days advance written notice of termination of the contract unless there are special circumstances.

After a contract termination, if the family meets the criteria for a move with continued assistance, the family may lease-up in another unit. The contract for the new unit may begin during the month in which the family moved from the old unit. The Housing Authority may not permit portability if the family has moved out of the assisted unit in violation of the lease.

1. TERMINATION BY THE FAMILY

The family is obligated for the initial term of the lease agreement and may not move during this timeframe without Housing Authority approval. Notice to move is subject to the terms of the lease agreement.

When a family has voluntarily given up their housing assistance and becomes in need of housing assistance again in the future, they must reapply for housing assistance and be placed back on the waiting list. RHA will make termination effective at the end of the month in which notice is received. Consideration for reinstatement of assistance is subject to approval by the Director or Assistant Director of Leased Housing,

2. TERMINATION OF TENANCY BY OWNER

- (1) **Requirements.** The owner may only terminate the tenancy in accordance with the lease and HUD requirements. The owner is expected to enforce the lease agreement and follow through with eviction proceedings for tenants that cause damage to the unit or fail to pay their portion of the rent.
- (2) **Grounds.** During the term of the lease (the initial term of the lease or any extension term), the owner may terminate the tenancy for the following reasons:
 - (a) Serious or repeated violation of the lease. This includes issues such as non-payment of rent, property damage, disruption to the community, failure to allow access to the rental unit following reasonable notice, and threatening behavior to the landlord or other staff.
 - (b) Violation of Federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and the premises. This may include situations where the tenant's behavior or failure to act results in a fine to the property owner. This addresses fines levied by the city for code violations.
 - (c) Criminal activity or alcohol abuse. The owner may terminate the tenancy during the term of the lease if any member of the household, a guest or another person under a resident's control commits any of the following types of criminal activity:
 - (1) Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of the premises by other residents (including property management staff residing on the premises);
 - (2) Any criminal activity that threatens the health or safety of, or the right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises;
 - (3) Any violent or drug-related criminal activity on or near the premises;
 - (4) Fleeing to avoid prosecution, or custody or confinement after conviction, for a crime, or attempt to commit a crime, that is a felony under the laws of the place from which the individual flees, or that, in the case of the State of New Jersey, is a high misdemeanor;

- (5) The owner may terminate the tenancy for criminal activity by a household member in accordance with this section if the owner determines that the household member has committed the criminal activity, regardless of whether the household member has been arrested or convicted for such activity. Mere suspicion of criminal activity should not warrant the termination of tenancy.
 - (6) The owner may terminate the tenancy during the term of the lease if any member of the household has engaged in abuse of alcohol that threatens the health, safety or right to peaceful enjoyment of the premises by other residents.
- (d) During the initial lease term or during any extension terms, other good cause includes but is not limited to the following:
- (1) Disturbance of neighbors.
 - (2) Destruction of property,
 - (3) Living or housekeeping habits that cause damage to the unit or premises.
 - (4) The tenant's failure to accept the owner's offer of a new lease or revision.
 - (5) The owner's desire to use the unit for personal or family use or for a purpose other than use as a residential rental unit; or
 - (6) There is a business or economic reason for termination of the tenancy (such as sale of the property, renovation of the unit, the owner's desire to rent the unit for a higher rent).
- (3) **Eviction by court action.** The owner may only evict the tenant by a court action.
- (4) **Owner notice of grounds**
- (a) At or before the beginning of a court action to evict the tenant, the owner must give the tenant a notice that specifies the grounds for termination of tenancy. The notice may be included in or combined with any owner eviction notice.
 - (b) The owner must give the Authority a copy of any owner eviction notice at the same time the owner notifies the tenant.
 - (c) Eviction notice means a notice to vacate, or a complaint or other initial pleading used to begin an eviction action under state or local law.
- (5) **Other Notice to Vacate**
 If a notice to vacate is not due to a serious or repeated violation of the lease, and if the Housing Authority has no other grounds for termination of assistance, the Housing Authority may issue a new voucher so that the family can move with continued assistance

provided the family remains in compliance with program requirements and funding is available.

(6) Change Of Ownership

A written request by the owner who executed the HAP contract must be submitted to RHA in order to make changes regarding who is to receive the Raleigh Housing Authority (HAP) payment or the address to where the rent payment should be sent.

Additionally, the Raleigh Housing Authority requires the documents listed below from the new owner to process a change of ownership. The following documents must accompany the written request:

- A. Deed of Trust or other documents showing the transfer of title or management agreement;
- B. Tax Identification Number or Social Security Number. (IRS W-9 Form)
- C. Raleigh Housing Authority Owner's Application
- D. Raleigh Housing Authority Direct Deposit Form with required bank documentation.

3. TERMINATION BY THE HOUSING AUTHORITY

The contract will terminate automatically if one hundred eighty (180) calendar days have passed since the last housing assistance payment to the owner. Reinstatement of housing assistance may be at the discretion of the Housing Authority and considered on a case-by-case basis because of extenuating circumstances.

Any of the following actions will be considered a breach of contract by the owner (including a principle, property manager or other interested party acting on the owner's behalf):

1. The owner has violated any obligation under the HAP Contract for the dwelling unit, including maintaining the unit to HQS standards, including any standards the Housing Authority has adopted in this policy.
2. The owner has violated any obligation under any other housing assistance payments contract under the voucher program.
3. The owner has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program.
4. The owner has engaged in any drug-related criminal activity or any violent criminal activity.
5. The owner has engaged in abusive or violent behavior towards the Housing Authority's staff members, tenants, or Board members.
6. The owner has failed to pursue eviction of tenant families who have engaged in illegal activity or have a history of community disruption.
7. The owner has failed to execute a new HAP contract and/or lease agreement each year as required.

8. If an owner uses the services of a property manager or other agent to handle business with the voucher program, this agent must provide the name and contact information of the owner upon a written request from RHA.
9. If an agent or owner fails to provide or provides inaccurate contact or tax information as requested by RHA.
10. The landlord is registered under the state Sex Offender Registration Program.

The Housing Authority may also terminate the contract if:

1. The Housing Authority terminates assistance to the family.
2. The family is required to move from a unit, which is under-occupied or overcrowded.
3. Funding is no longer available under the ACC.
4. The landlord has intimidated the family through threats or false claims such as damages to prevent moving or claiming rent that is not owed by the family.
5. The landlord intentionally withholds information from RHA in order to continue to receive HAP payments. Examples of this type of violation include, but are not limited to, having knowledge that utilities are not on at the unit without informing RHA, family not living in the unit, children on the lease not present in the unit on a regular basis, criminal activity, the death of a family member, or failure to immediately disclose information regarding a unit fire or other damages caused by acts of nature.
6. The landlord or agent fails to immediately return payments to which they are not entitled to receive.

C. DISAPPROVAL OF OWNER

The owner does not have a right to participate in the Section 8 program. Participation is optional. The Housing Authority may pre-screen prospective landlords/owners by obtaining information from any federal, state or local agency. The Housing Authority will disapprove an owner for the following reasons:

- (1) HUD has informed the Housing Authority that the owner has been debarred, suspended, or subject to a limited denial of participation under 24 CFR part 24.
- (2) HUD has informed the Housing Authority that the federal government has instituted an administrative or judicial action against the owner.
- (3) The owner has committed fraud, bribery or any other corrupt act in connection with any federal housing program.
- (4) The owner has committed any misdemeanor drug-related or violent criminal activities within the last 5 years or felonious drug-related or violent criminal activities within the last 7 years.
- (5) The owner has a history or practice of renting units that fail to meet state, local or federal housing codes including repeatedly failing HQS inspections.
- (6) The owner has a history of failing to evict families for drug-related or violent criminal activity or activity that threatens the health, safety or right of peaceful enjoyment of premises by tenants or of residences by neighbors.
- (7) The owner has engaged in abusive or violent behavior towards the Housing Authority's staff members.

- (8) The owner fails to repay housing assistance payment(s) that were overpaid by the Housing Authority.
- (9) The owner has lost his right to rent property because of violations identified with the local ordinance that established a permit program for landlords/owners in violation of city codes.
- (10) The landlord is registered under the state Sex Offender Registration Program.

D. OWNER RESTRICTIONS

If the owner commits serious contract violations, the Housing Authority will restrict the owner from future participation in the program for a period of time commensurate with the seriousness of the offense. The Housing Authority may also terminate some or all contracts with the owner. Before imposing any penalty against the owner, the Housing Authority will review all relevant factors pertaining to the case, and will consider such factors as the owner’s record of compliance and the number of violations.

Owner Restriction Timeframe:

- **Lifetime Ban:** If the owner has been convicted of any drug-related criminal activity or any violent criminal activity. .
- **Lifetime Ban:** If the owner is registered under the state Sex Offender Registration Program.
- **One Year Ban:** If the owner does not notify the housing authority of any of the following within seven (7) calendar days:
 - Foreclosure Proceeding on the Assisted Unit
 - Fire/Flood to the unit

If the owner has been overpaid as a result of fraud, misrepresentation, or violation of the contract, the Housing Authority may terminate the contract and arrange for restitution to the Housing Authority or family as appropriate. If restitution is not made, legal action may be initiated.

VI. HOUSING QUALITY STANDARD INSPECTIONS

A. TYPES OF INSPECTIONS

Housing Quality Standards (HQS) are the HUD minimum quality standards for tenant-based programs. HQS Inspections are required both at initial occupancy and during the term of the lease. HQS standards apply to the building and premises, as well as the unit.

There are four (4) types of inspections the Housing Authority will perform:

1. **Initial/New:** Conducted upon receipt of Request for PHA Approval of Assisted Tenancy.
2. **Annual/Renewal:** Must be conducted within twelve (12) months of the previous HQS inspection.

3. **Special/Complaint:** At the notification by the owner, family or third party of emergency conditions in the unit, unaddressed Landlord repairs and/or tenant program violations.
4. **Quality Control (QC):** Performed by a supervisor or senior inspector on a sampling of inspections having recently passed. A cross-section of neighborhoods, types of inspections and inspectors will be audited when performing QC inspections.

B. STANDARDS FOR INSPECTION/REPAIRS

- (1) HQS deficiencies, which cause a unit to fail, must be corrected by the landlord. The family is only responsible for breaches of HQS, which are caused by:
 1. Non-payment of utilities paid by the family,
 2. Not providing, or failing to maintain appliances not provided by the owner, and
 3. Damages to the unit or premises caused by a household member or guest beyond normal wear and tear. The owner must provide evidence that damages were caused by the family or guests. This includes inoperable vehicles, trash or other refuse items on the porches or in the yard.
- (2) The landlord should notify RHA and the tenant in writing of the damages caused by the tenant beyond normal wear and tear or if the utilities are not operational. This written notice should be received at least ten (10) business days prior to the first scheduled inspection date.
- (3) The family must allow the Landlord and the Housing Authority to inspect the unit at reasonable times with reasonable notice. If the tenant refuses to allow the Landlord into the unit to inspect and make repairs, the tenant is in violation of the Section 8 program and in jeopardy of having their housing assistance terminated. If the tenant refuses to allow the inspector to complete the scheduled inspection, both the Landlord and tenant share the responsibility for the missed or cancelled inspection. This is the reason that the landlord, or their representative, is encouraged to be present for every scheduled inspection.
- (4) The Housing Authority notifies the family and the landlord in writing of the date and time of the inspection prior to the scheduled inspection date. The Landlord will be notified by email of the scheduled inspection and all inspection results. The tenant will be notified of the scheduled inspection and all inspection results by regular mail. The family and/or landlord must be present for the scheduled inspection with a valid photo ID or may designate a person 18 years of age or older with a valid photo ID to allow completion of the inspection within the required time allotted. The family and the landlord are expected to work together to ensure RHA has access to the unit to complete the inspection. Missed inspections may result in the loss of rental subsidy (HAP payment) for the landlord.
- (5) The Landlord and tenant must report emergency (life threatening) events that endanger the family's health or safety to the Housing Authority within 24 hours of occurrence. An inspection will be scheduled within 24 hours of notification of the emergency. All corrective actions must be completed within 24 hours of notification. Some examples of life-threatening conditions include but are not limited to: missing or inoperable smoke detectors exhaust fumes, inoperable HVAC equipment in winter and summer months,

exposed electrical wiring, sewage backup, ruptured hot water heaters, collapsed ceilings and floors and unit fires. In most cases, a follow-up HQS inspection will be scheduled within 48 hours of the first inspection. If the deficiencies are not corrected within 24 hours of notification, the Housing Authority will stop the HAP payments and the HAP contract will terminate.

- (6) For non-emergency items, repairs must be made within thirty (30) calendar days of notification. For major repairs such as exterior painting, the Director, Assistant Director of Leased Housing, or the Inspection Supervisor, at their discretion, may approve an extension beyond thirty (30) days.
- (7) For an interruption of power, water or gas caused by the City, and/or Utility Company RHA will not penalize the tenant or landlord if a written statement is provided to the RHA Inspections Division on City letterhead no later than 24 hours before the scheduled inspection.
- (8) The landlord is responsible for having the unit ready to pass the HQS inspection year round. Landlords are strongly encouraged to inspect the unit prior to RHA's scheduled inspection to allow time for completion of all repairs found, including tenant-caused damages, prior to the first scheduled HQS inspection. Visit the RHA website at www.rhaonline.com for a downloadable copy of the HUD HQS inspection form and the Supplemental Checklist identified by RHA to be inspected during the process. RHA has 31-35 business days to complete each follow up inspection. If the repairs are not completed and the unit does not pass the second scheduled inspection, the HAP payment is abated. The HAP payment remains in abatement until the unit passes inspection or the HAP Contract terminates. HAP payment will only be released from the inspection pass date forward. No back HAP payment will be released and RHA's HAP portion cannot be requested from the tenant. A landlord may request a Punch List service appointment for the rental unit which would be completed by an inspector. There is a fee associated with this service and further details are located on RHA's website at www.rhaonline.com, News and Updates, Optional Resident Retention Service.
- (9) Upon the inspector's arrival at the unit, if it is determined that the unit is obviously and/or substantially not ready or any of the required utilities are not in service, or if the tenant reports current bedbug activity, then the inspection will not be completed. The inspection will be considered Inconclusive and count as a failed inspection. All Inconclusive inspection results require a FULL inspection of the unit to be completed at the next scheduled inspection. Examples of inconclusive inspections include, but are not limited to the owner or owner's representatives working on repairs such as painting, drywall, floor and/ or carpet replacement, etc., when the inspector arrives; utilities not on; and/or at least ten (10) other identified HQS violations. The owner and/or owner's representative will be emailed a copy of the Inconclusive inspection report documenting the violations found that stopped the inspection along with a letter notifying the owner and/or owner's representative of the date and time of the rescheduled inspection. It is up to the landlord to determine whether they wish to be present at the rescheduled inspection to guarantee Raleigh Housing Authority has access to the unit. If the inspection is still inconclusive and the Housing Authority has not been able to perform a complete inspection of the unit within 12 months

of the last annual inspection, the Housing Assistance Program (HAP) payment will be abated and the HAP Contract may be terminated.

(10) Housing Inspectors will not enter attics or crawl spaces to verify proper installation or operation of the water heater. In either instance, the Landlord will be required to complete a Hot Water Heater Certification, which can be found at www.rhaonline.com. The certification should be submitted within 72 hours of the inspection or when identified as needed on the inspection report.

(11) Pre-1978 units:

Annual Inspections - Units on the Section 8 program as of January 1, 2012 built before 1978 that failed the HUD HQS inspection for chipping, peeling and/or chalking paint, and where a child under the age of six (6) or a pregnant female resides will be required to have a Risk Assessment completed on the entire unit at the Landlord's expense. At the same time, the tenant will be required to have an EBLL test completed on all children under six (6) at the time of the failed inspection.

The risk assessment of the entire unit must be conducted inside and outside, inclusive of the XRF testing, and a copy of the risk assessment must be submitted to the RHA Inspections Division within fifteen (15) business days of the date of the letter notifying of the failure. The method of delivery of the risk assessment to the Inspections Division is at the discretion of the Landlord, but must be received within fifteen (15) business days. If, for any reason, the risk assessment is not received within the specified fifteen (15) business days, the tenant will be processed to relocate.

If the risk assessment results are NEGATIVE, another inspection will be scheduled by letter to both the Landlord and the tenant. However, if the risk assessment result is NEGATIVE, yet there is indication of high lead levels, though the area is "INTACT", the tenant will be notified of the findings.

If the risk assessment results are POSITIVE, the Landlord and tenant will be notified by letter. At the Landlord's expense, repair to the items positive for lead must be completed by a licensed NC contractor certified in the remediation of lead based paint and a clearance report from a company licensed to conduct risk assessments and clearances other than that of the contractor must be provided. A copy of the contractor's license and the clearance report must be submitted to the RHA Inspections Division within thirty (30) business days of the date of the letter of notification of the positive risk assessment results. If for any reason, a copy of the contractor's Lead Base Paint (LBP) or General Contractors (GC) license and clearance report are not submitted with the specified thirty (30) business days the tenant will be processed to relocate.

Initial Inspections: Beginning August 1, 2013, all Landlords with units built prior to 1978 may be required to certify their pre 1978 unit through the state of North Carolina prior to that unit being allowed on the Section 8 Program.

C. ABATEMENT

- (1) When a unit fails to meet HUD HQS after two inspection attempts, the HAP payment to the landlord will be abated/ stopped, unless the failures are previously determined to be the tenant's responsibility. Abatement means that the rental assistance payment will not be released until the unit has passed inspection and then only from the date that the unit passes inspection through the end of the month. The unit must pass inspection before the new HAP contract term. Notification of the abatement date will be included in each reschedule letter. The abatement will be effective on the first day of the month following the second scheduled inspection where the unit does not pass. The abatement will continue until the unit passes inspection or the HAP contract terminates.
- (2) HUD regulations do not allow the release of HAP payments without a passed inspection report after a payment has been abated.
- (3) A Housing Authority inspector must visually verify the completion of all cited repairs.

D. FAMILY RESPONSIBILITIES

Both the landlord and the family share the responsibility to make sure the Housing Authority has access to the unit to complete the HUD HQS inspection. RHA expects the landlord and family to work together to ensure that an adult, 18 years of age or older with valid ID, is present for the inspection. A scheduled inspection may only be cancelled by the landlord. The cancelled inspection date starts the clock toward the abatement of the HAP payment. RHA is not responsible for the lack of communication and/or misrepresented information between the tenant and landlord. If the housing inspector is not able to access the unit, the inspection is considered a "Not at Home" and counts as a missed inspection against both the landlord and the tenant. RHA will schedule a second inspection after 30 business days and if the unit does not pass this second scheduled inspection, the HAP payment will be abated. HQS inspections are a required component for participation in the voucher program and participants, both landlord and tenant, are expected to make every effort to assist RHA to complete the inspection in a timely manner. A combination of two missed inspections or an inspection cancellation at the unit by the tenant and a missed inspection may result in the termination of the family's assistance. A pattern of missed inspections may also result in termination of the family's assistance.

It is the family's responsibility to ensure that all pets are confined securely during the inspection or the inspector may refuse to conduct the inspection with penalty to the tenant and landlord.

It is the family's responsibility to ensure that all utilities (electricity, gas, water) are on in the unit at all times unless the landlord has notified RHA in writing that they will be responsible to pay the utilities. Failure to have utilities on during a scheduled inspection will result in an "Inconclusive – Utilities Off" inspection result. The tenant will have thirty (30) business days from the date of the failed inspection to have their utilities re-connected. If there are two scheduled inspection results of "Inconclusive – Utilities Off" the tenant may be in jeopardy of having their housing assistance terminated.

It is also the responsibility of the family to ensure that indoor mold formed in bathrooms, kitchens and on or near windows is cleaned and maintained. If the mold persists after proper ventilation and cleaning, tenant should notify the landlord in writing, for assistance. If the landlord does not respond to the notification within fourteen (14) business days, the tenant should submit a copy of the same letter to the Inspections Division.

If the tenant is having a problem with any item(s) in the unit, they should first contact the landlord. If the landlord does not respond within three (3) business days, then the tenant should put their complaint in writing to the landlord. If the landlord still does not respond within two (2) business days, the tenant should notify RHA in writing of the problem and the attempts to contact the landlord. All non-life threatening complaints must be in writing and submitted to the Inspections Division.

The family is responsible for damages to the unit beyond normal wear and tear. The payment of these damages is between the landlord and the tenant. The landlord may terminate the lease agreement or evict the family as a result of tenant damages. Landlords are expected to notify RHA in writing of tenant caused damages within a minimum of ten (10) business days prior to the first scheduled inspection. If RHA is not notified in advance, all repairs are considered the responsibility of the landlord.

E. BASIC LANDLORD INFORMATION

Basic Information for Initial Inspections

- All utilities (electric, gas, water, etc.) must be on in the unit at the time of the scheduled inspection. Tenants should not have utilities on in their name at the unit until after the unit has passed inspection, unless they are currently living in the unit.
- Any equipment or mechanism installed must be in working order and functioning as designed.
- The unit scheduled for inspection must be completely empty or occupied by the tenant for whom the inspection is being performed. The Landlord cannot be living in the unit nor have personal property stored in the unit, or on the property to be rented at the time of the scheduled inspection.
- The Unit submitted must be in “Move-In Ready” condition. To qualify, the unit must meet the following requirements (in addition to others required by HUD regulations):
 1. Must meet all requirements by the city or governing municipality as a habitable dwelling.
 2. Floors should be clean and free of dirt and trash.
 3. Bathroom sinks, tubs, and toilets must be free of debris, dirt, grim and/or rust.
 4. Stove top, Oven, Microwave, Refrigerator, and Dishwasher must be free of debris, dirt, grim and/or rust.
 5. Walls clean (painted as needed).
 6. Free of bugs and rodents (extermination as needed).
 7. Garbage and debris removed from interior and exterior of unit.

- Once a unit passes inspection, a Passed Inspection letter will be emailed to the landlord. Landlords should submit all requested documentation to the HAP Contract Processing Team as quickly as possible to avoid a delay in the processing of the HAP payment.
- After the unit has passed inspection and the rent has been determined reasonable, the tenant should occupy the unit within seven (7) days of the date of the letter. If the tenant does not move into the unit within seven (7) days, the landlord should notify the HAP Contract Processing Team immediately. Exceptions must be approved by the Director or the Assistant Director of Leased Housing.

Basic Information for Annual Inspections

- All utilities (electric, gas, etc.) must be on in the unit at the time of the scheduled inspection. Tenants must have utilities on in their unit at all times. Failure to maintain utility service is a violation of the Section 8 program and is grounds for termination of housing assistance.
- All necessary repairs should be completed prior to the first scheduled inspection date. Inspectors are instructed not to wait for repairs to be completed on the day of the scheduled inspection, no matter how small the repair. For guidance on what will be inspected, visit our website and access the [Downloadable HUD Form and the Supplemental Inspection Checklist](#).
- All pets must be securely confined during the inspection or the inspector may refuse to complete the inspection with penalty to the tenant and landlord.

Basic Information for All Inspections

- A courtesy call will be made on the day (morning or afternoon) of the scheduled inspection to the telephone number provided to RHA in an attempt to narrow the inspection timeframe window. There is no guarantee as to how much additional notice will be provided and the official notice remains the written correspondence.
- Double keyed dead bolt locks on exterior doors are not allowed; the locking mechanism to the inside of the house must have a thumb bolt. (BOCA National Fire Prevention Code § Section F-608.0 - Egress Doors F-608-1, F-608.2)
- Recently passed US Senate Bill 1924 requires a minimum of one operable carbon monoxide detector per rental unit per level. The carbon monoxide detector must be listed by a nationally recognized testing laboratory that is OSHA-approved to test and certify to American National Standards Institute/Underwriters Laboratories Standards of ANSI/UL2034 or ANSI/UL2075. Installation of the carbon monoxide detector must be in accordance with the National Fire Protection Association or the minimum protection designated in the manufacturer's instructions. The Landlord must retain or provide proof

of compliance. Both the tenant and Landlords will be deemed responsible for inoperable carbon monoxide detectors due to dead or missing batteries.

- The landlord may not utilize any portion of the property being rented for personal storage or storage of any kind.
- The Housing Authority will only complete two inspections. If the unit does not pass after the 2nd inspection, the Landlord or Owner has the option to participate in the Housing Authority's Optional Resident Retention Services.
- The inspector will not stop by the office of apartment complexes nor attempt additional telephone notification of the landlord once at the unit.
- Swimming pools, trampolines and Jacuzzi hot tubs are prohibited.
- The failure of one item in or on the property will fail the entire unit.
- Tape of any kind on a refrigerator seal is not an acceptable repair for a broken or torn seal. The seal must be replaced to avoid a failed inspection result.
- All appliances and/or equipment present in the unit must be operational to avoid a failed inspection result.
- Lighting fixtures inside and outside of the unit, which are designed for a globe cover, must have a globe cover to avoid a failed inspection result.
- All interior and exterior debris including tree branches, tall grass, trash and old appliances should be removed prior to the inspection.
- All vehicles on the property must have a valid license plate and current vehicle registration to avoid a failed inspection result.
- Housing Choice Voucher units are required to comply with local and state building codes.
- Manufactured homes are required to be secured with the appropriate tie downs. The tie downs must be installed within the requirements and specifications of the manufacturer.
- Verbal and/or nonverbal threats communicated by the tenant or the landlord to any member of the Inspections Division will not be tolerated. These actions could result in the inability to participate in the Section 8 program.
- Landlords renting property within the city limits of Raleigh are also subject to the City of Raleigh PROP policies and procedures. For more information visit www.raleighnc.gov.

Optional Resident Retention Services

The Housing Authority is offering three optional services to landlords to help maximize the benefits of being a landlord under the Housing Choice Voucher Program (HCV). The three optional services offered by RHA include:

1. Optional Punch List Service
2. Optional Third Inspection
3. Optional Additional Inspection

Participation in any of these optional services does not guarantee that a unit will pass the HQS inspection at the time it is done. To participate please visit RHA's website for fees and payment instructions.

VII. OWNER RENT/RENT REASONABLENESS/PAYMENT STANDARD

A. OWNER PAYMENT

The Payment Standard is initially set by the Housing Authority at the Fair Market Rent in effect at the time the Annual Contributions Contract (ACC) for the first increment of Voucher funding is approved by HUD. The Voucher size issued to the family is based on the Housing Authority's Subsidy Standards. The Payment Standard for the family is based on the lesser of the Payment Standard for the Voucher size issued and the Payment Standard for the unit selected. The Housing Assistance Payment to the owner is the lesser of the subsidy described above or the rent charged by the owner.

B. MAKING PAYMENTS TO OWNERS

Once the unit passes inspection and the HAP Contract is executed, the Housing Authority begins processing payments to the landlord. This process may take up to eight (8) weeks before the first payment is received. The owner will be notified of the effective date and the amount of the payment. A HAP Register will be used as a basis for monitoring the accuracy and timeliness of payments. Checks that are not received will only be replaced upon receipt of written request from the payee.

Direct deposit of HAP payments is required for all current, new and prior landlords participating in the Section 8 program. Additionally, each participating landlord **must** have a valid email address for communication. This service is a convenience to the landlords and helps streamline the payment process. A direct deposit form is available at www.rhaonline.com. Landlords should note the following:

- (a) You must have a checking or saving account.
- (b) Direct Deposit will only be made to one bank account.
- (c) The entire amount of the HAP will be deposited. No partial deposits will be made.
- (d) Monthly HAP payments will normally be deposited on the second business day of the month, but is subject to funding availability from HUD.

- (e) Any changes to your account information must be submitted in writing along with a new Direct Deposit form.

Landlord/Owner Overpayment-Fraud

If a Landlord/Owner receives Housing Assisted Payments (HAP) for a Voucher Holder, that is no longer in the unit; for a unit they no longer own or that was released before RHA's notification of the unit being vacated, the Landlord/Owner must return the funds to the Housing Authority immediately. Landlord/Owner failure to repay the overpayment of federal funds to which he/she is not entitled could be considered fraudulent activity.

Once the Housing Authority identifies the date the Voucher Holder moved out of the unit, the Housing Authority will send a written request for the reimbursement of the HAP funds retroactive to the month the Voucher Holder moved out of the unit.

Landlords/Owners with active Voucher Holders on the program who do not return the funds by the specified deadline listed on the written request from the Housing Authority will have the HAP funds owed automatically deducted. The funds will be deducted from the next HAP payment and each HAP payment thereafter until the debt is paid in full. If the Landlord/Owner does not have active Voucher Holders on the program and the reimbursement is not made, the Housing Authority's attorney may send a demand letter. If RHA does not receive a response to the demand letter, the debt owed will be filed with the local magistrate court to obtain a judgment against the Landlord/Owner, then RHA will submit the judgment to a debt recovery agency and the Landlord/Owner will be banned from renting units under the Housing Authority's Section 8 Program.

If a banned Landlord/ Owner requests to be reinstated to the program, the following steps must be taken:

1. Pay a \$300.00 reinstatement fee.
2. Pay the entire balance due.
3. Attend a Landlord Briefing prior to being reinstated.

C. LANDLORD COMMUNICATION

E-mail Communication - RHA has upgraded its communication to Section 8 Landlords by using e-mail to send all correspondence. This change will allow quicker communication from RHA to Section 8 Landlords and assure that important information is sent by RHA and received by the Landlord in an expeditious manner.

D. RENT REASONABLENESS METHODOLOGY

Rent reasonableness determinations are made when units are placed under a HAP Contract for the first time. The Housing Authority must conduct a redetermination of reasonable rent in two (2) other cases:

1. Before any increase of rent to the owner; or

2. If there is at least a 5% decrease in the published FMR in effect 60 days before the contract anniversary (for the unit size rented by the family) as compared with the FMR in effect one year before the contract anniversary.

The Housing Authority will determine and document the rent reasonable comparisons at the time of the initial inspection and on an annual basis during the HQS inspection.

Additional rent reasonableness comparisons may be required for the following reasons:

1. Does not exceed rents currently charged by the same owner for an equivalent assisted or unassisted unit in the same building or complex, and
2. Is reasonable in relation to rents currently charged by other owners for comparable units in the unassisted market.

The Housing Authority's Rent Reasonableness Point System assures that a fair rent is paid for selected units under the Housing Choice Voucher program. The Housing Authority's method takes into consideration the following HUD factors: location, size, type, quality, age of the unit, the amenities (adds value vs. nice to have), housing services, maintenance, and utilities provided by the owner under the lease. Points are assigned to each HUD rating factor. The Rent Reasonableness Database for unassisted units is compiled by gathering data from newspapers, realtors, professional associations, owner inquiries, market surveys, visiting the site, the Internet, and other available sources. The documentation of the data gathered is compiled in a Rent Reasonableness database and is updated every other month to reflect changes in the market. The units are selected by RHA's Rent Reasonableness Database based on the availability of similar unit in the ZIP codes pre-determined by the RHA ZIP code matrix. The Rent Reasonableness Database will identify the units to be used for the reasonableness assessment and landlords cannot contest the units selected for comparison.

When an inspection is completed, the Housing Inspector enters the information on the factors identified above and the Rent Comparability Database calculates the total points assigned to the proposed assisted unit. The Rent Reasonableness Database locates three to five unassisted units per ZIP code with total points within the comparable range. When this action is completed, a Rent Reasonableness Certification form is completed. If the current rent exceeds the reasonable rent then the Landlord/Owner will be requested to lower the HAP contract rent for the upcoming HAP contract term. If the current rent is determined not to be reasonable after an inspection, the Landlord/Owner will be notified usually within 72 hours of the need to reduce the rent. If the landlord does not agree to lower the rent within the requested timeframe for:

- Annual Inspections-the current HAP contract will terminate at the end of the contract term and no further HAP payments will be released for the unit.
- Initial Inspections- the unit cannot participate in the Section 8 program.

E. RENTAL INCREASES

HUD requires that a unit must be in compliance with the Housing Quality Standards (HQS) prior to the Housing Authority's approval of an increase in contract rent. All changes in the rent to

owners shall be determined by the provisions of the lease. Owners may not request rent increases in the Voucher Program to be effective prior to the expiration of the first year of the lease. The rent to owners must be reasonable in comparison with rent charged for comparable units in the private unassisted market or for units assisted under the Section 8 program. The Landlord/Owner must submit the Rental Increase Request Form to be considered for a rental increase. The Housing Authority will review the Rental Increase Request Form on an annual basis to determine whether the rent increase is reasonable.

The Housing Authority will consider one (1) rental increase request per contract year, per tenant. The request to increase the contract rent must be received by the Housing Authority no more than 90 days and no less than 60 days prior to the HAP anniversary date or the tenant's recertification date. Requests for a rental increase must be submitted on the Rental Increase Request Form and contain the tenant's signature to be accepted. This form is the only acceptable format in order to process the request. Once the owner submits the Rental Increase Request Form, notification of the approval or denial will be received the month prior to the HAP anniversary or tenant re-certification date. Owners are notified of the rental increase status by emailed letter and tenants receive a copy by regular mail. If the rental increase request is not received 60 days prior to the anniversary date, the unit does not pass the first scheduled inspection visit, the rent increase is not reasonable, the request is above the current Fair Market Rent, there are other program violations and/or the unit goes into abatement, the rental increase will be denied.

Rental Increase Example:

Rule: Rental increase request received no more than 90 days and no less than 60 days prior to the re-certification/HAP contract date

HAP Contract Date = 9/1/XXXX
Rental Increase = 6/1/XXXX – 7/1/XXXX
(90 days) (60 days)

VIII. RECERTIFICATIONS/INTERIM CHANGES

A. TENANT RECERTIFICATION

The Housing Authority is required to recertify the family at least annually. Annual recertification may be held in one or more group sessions. If the family misses two (2) scheduled recertification appointments, the housing assistance may be terminated. The family is required to furnish information to the Housing Authority pertaining to total family income, allowable deductions from income, and family composition. Families are informed in advance, in writing, of the information required for the recertification appointment.

Failure to submit copies of the required information for the recertification briefing may result in a rescheduled appointment. If the family's income has increased or decreased, it will change the amount of the family's payment to the owner. This will affect the portion of the contract rent

that is paid by the family, but it does not affect the total amount received by the owner from both the Housing Authority and the family.

RHA may opt to mail recertification packets for elderly and/or disabled families on a fixed income. Families will be informed in advance, in writing, of the information needed along with the expected due date. The Housing Authority will provide advance written notice to the family and to the owner if the family's portion of the rent changes. If the family fails to cooperate in the recertification process and the assistance is terminated, the Housing Authority notifies the owner in writing. The payments to the owner will cease thirty (30) days following the written notice of termination provided to the owner.

B. INTERIM CHANGES

Program participants must report all changes in household composition and income to the Housing Authority within (30) calendar days. The change must be in writing using the Housing Authority's Change of Status form. The following income changes must be reported if there is a change in source of income such as going from unemployment benefits to earned income such as wages from an employer. Wages from a new job must be reported within 30 days of the hire date. All other sources of new income must be reported such as Unemployment benefits, Social Security/SSI Payments, Child Support, Pension/Retirement, Work First benefits within 30 calendar days of the first payment received date.

Loss of unearned income such as: unemployment benefits, Temporary Assistance for Needy Families (TANF), Social Security and Supplemental Security Income (SSI) benefits must be submitted in writing using the Housing Authority's Change of Status form within 30 calendar days of the last payment date. It is required by HUD for the family to submit verification concerning income changes. In order to report a loss of child support payments, the family must submit a 12 month child support printout if court ordered that shows no payment has been received within the last 90 days. If not court ordered, a notarized statement from the non-custodial parent with the last payment dates.

Income changes with decreases will be processed within 30 calendar days of the date the verification is received, however the change will be made retroactive to the first of the month following the date of the reported change.

Income changes with increases will not be processed until the next Annual Re-exam with exception of the income listed below. The exceptions listed below will be processed within 30 calendar days of the date the request and verification is received.

Income Change Increase Exceptions:

- a. New Employment (Must receive at least 3 consecutive check stubs for verification)
- b. (If paid monthly and you have only received one (1) partial paycheck stubs for the month, then you will be given (30) thirty additional days to provide this office with (2) monthly paycheck stubs.)

- c. New Child Support (Must receive a 12-month print out from the child support office or other form of verification approved by the Housing Authority.)
- d. New Social Security or SSI (Must provide Award Letter from the Social Security Administration.)

Changes in household composition (ex. additions, name changes, etc.) will only be processed during the annual recertification, unless a family member is being removed or adding household members with Assets, Benefits, and or Income. These changes must be accompanied with an updated lease addendum from the landlord reflecting the household member being added or removed from the lease.

Unreported Income

New Income not reported within (30) calendar days will be made effective immediately. No 30-day notice will be given. Tenant will be investigated for income discrepancy to determine overpayments by the agency due to the tenant's failure to report income in a timely manner; which could result in the tenant repaying Housing Assistance Payments and Utility Assistance Payments back to the agency.

Non-Traditional Employment

Non-Traditional Employment is when someone does not work a traditional 12 months per year such as a 9, 10, or 11 month employee.

Reporting Out of Work and Returning to Work

Families who go out of work for the summer must submit Verification from the employer of the last day work and the employees re-start date if expected to return. Once submitted to our office attached to a Change of Status form, the agency will process two (2) actions. The first action will be processed effective the first date of the month following the received date. The second action will be processed effective 30 days from the re-start date given by the employer. The income used to add the income back will be the last wage information submitted by the family which is the paystubs. No wage verification will be accepted from the employer, only paystubs. If no paystubs have been provided, the amounts used will be based upon the last four (4) quarters of the Enterprise Income Verification (EIV) or Employment Security Commission (ESC) whichever is the most current. The same process will be done for any family who reports they are temporarily out of work, but are expected to return.

IX. REVALIDATIONS/PORTABILITY

A. REVALIDATIONS

Generally, the Housing Authority does not permit families to move with continued assistance to another unit within the Housing Authority's jurisdiction during the first year of assisted occupancy at their current unit. The term of the HAP Contract should mirror the lease term.

Families and landlords may end lease agreement by following the guidelines that are specified within the lease.. Families that are in good standing with the Housing Authority may request to move only one time in a calendar year. Good standing means the family does not have any program violations such as unreported income, unauthorized persons in the home, history of missed annual recertification's, history of missed annual inspections, police activity, unit damages, or violations of any city/county code. No family will be permitted to move with continued assistance prior to their lease-end date. A criminal background check; sex offender registry check and Enterprise Income Verification report will be generated for each adult household member. After the first year, a family may move if:

1. The assisted lease for the old unit has terminated because the Housing Authority terminated the HAP Contract for owner breach.
2. The owner has not given the family a notice to vacate, or has not commenced an action of eviction, or has not obtained a court judgment or other process allowing the owner to evict the family and if the family continues to be eligible under the program (in accordance with the eligibility factors in Section II (A) of this plan).

The family is in compliance with HUD rules and the Housing Authority's policies. If the family has been court ordered to pay for damages to the unit, this debt must be satisfied to be eligible for continue assistance.

3. The Housing Assistance Payment Contract may be extended up to a maximum of 30 days (1 month) after termination for families that owners allow to remain in their current unit until the new unit passes inspection.

B. PORTABILITY

Portability applies to families moving out of or into the Housing Authority's jurisdiction within the United States and its territories. The Housing Authority follows established procedures to monitor portability of vouchers, of both the initial and receiving Housing Authority, in accordance with federal regulations (24 CFR 982-353).

Port Out - (Initial Housing Authority)

The Raleigh Housing Authority will pull an Enterprise Income Verification (EIV) record and criminal background check on all outgoing portable requests. Any family requesting portability to another jurisdiction must be in good standing with their current landlord and the Housing Authority. When families owe unreported money to a landlord for rent or damages, the Housing Authority may notify the receiving Housing Authority. If satisfactory arrangements are not made by the family to pay this debt, the voucher may be terminated.

If a family chooses to port to another housing authority's jurisdiction, Raleigh Housing Authority shall inform the family that it may be re-screened by the Receiving Housing Authority and may

lose its assistance if the family fails to meet the Receiving Housing Authority's screening criteria.

Port In-(Receiving Housing Authority)

When the Raleigh Housing Authority is the Receiving Housing Authority we will within ten (10) calendar days of the HAP contract execution (not its effective date) inform the Initial Housing Authority via email or other delivery confirmation that it will absorb the family into its program or notify the Initial Housing Authority within the time limit set forth in Part I of the 52665 that it will bill the Initial Housing Authority for assistance on behalf of the portable family.

The Raleigh Housing Authority will determine the family unit size for the portable family. The family unit size is determined in accordance with the Raleigh Housing Authority's subsidy standards. Also, when receiving a portable voucher, the Raleigh Housing Authority's policies will govern a ported voucher.

The Raleigh Housing Authority may deny or terminate assistance for family action or inaction in accordance with 24 CFR 982.552 and 24 CFR 982.553.

As the receiving housing authority, the Raleigh Housing Authority will accept all eligible portability families, with limited exceptions. If an exception is utilized, the Raleigh Housing Authority will seek prior approval from HUD.

Although the Raleigh Housing Authority will promptly issue a voucher to an incoming portability family, it will still subject the families to its normal screening procedures. If the family fails to pass the screening thresholds, either the voucher will be revoked or the family will be terminated from the program if the unit has already been leased.

X. TERMINATION OF ASSISTANCE

A. FAMILY OBLIGATIONS

The Housing Authority may deny or terminate assistance for a family because of the family's action or failure to act. The Housing Authority will provide families with a written description of the Family Obligations under the program, the grounds under which the Housing Authority can deny or terminate assistance, and the Housing Authority's informal hearing procedures. Listed below are the family's obligations:

- (1) The family must supply any information that the Housing Authority or HUD determines necessary in the administration of the program, including submission of required evidence of citizenship or eligible immigration status (as provided by 24 CFR part 812). "Information" includes any requested certification, release, or other documentation.
- (2) The family must disclose and verify Social Security Numbers of all members.
- (3) All information supplied by the family must be certified by the family to be true and complete on the form provided by RHA.
- (4) The family is responsible for any HQS breach caused by the family.

- (5) The family must allow the Housing Authority to inspect the unit at reasonable times with reasonable notice. The family must not miss two (2) scheduled inspection appointments in any 12-month period.
- (6) The family must notify the owner and, at the same time, notify the Housing Authority before the family moves out of the unit or terminates the lease on notice to the owner.
- (7) The family must promptly give the Housing Authority a copy of any owner eviction notice.
- (8) The family must use the assisted unit as its primary residence.
- (9) The composition of the assisted family residing in the unit must be approved by the Housing Authority in advance. The family must promptly inform the Housing Authority of the birth, adoption or court-awarded custody of a child. The family must request Housing Authority approval to add any other family member as an occupant of the unit.
- (10) The family must promptly notify the Housing Authority if any household member is being added or removed from the unit. When adding new household members the landlord must approve the addition using the housing authority's Change of Status Form. If there are changes to the household composition the landlord must submit an addendum to the lease to show the current household members.
- (11) If the Housing Authority has given approval, a foster child or a live-in aide may reside in the unit. If the family does not request approval or Housing Authority approval is denied, the family may not allow a foster child or live-in aide to reside with the assisted family.
- (12) The family must not sublease.
- (13) The family must not assign the lease or transfer the unit.
- (14) The family must supply any information or certification requested by the Housing Authority to verify that the family is living in the unit, or relating to family absence from the unit, including any Housing Authority requested information or certification on the purposes of family absences. The family must cooperate with the Housing Authority for this purpose.
- (15) The family must not own or have any interest in the unit.
- (16) The members of the family must not commit fraud, bribery or any other corrupt or criminal act in connection with the program.
- (17) The members of the family may not engage in drug-related criminal activity, violent criminal activity, or other criminal acts in the vicinity of their home or elsewhere in the community that disrupt the community in which the family resides. Program participants are also responsible for the behavior of their guests. Acts that disrupts a neighborhood or interferes with the rights of others in the community to peaceful enjoyment of their homes is a program violation. These activities must represent a history or pattern of behavior unless the act is drug-related or violent crime, which requires only a one-time occurrence. An arrest or conviction is not required; a preponderance of the evidence is the standard.
- (18) An assisted family, or members of the family, may not receive Voucher tenant-based assistance while receiving another housing subsidy, for the same unit or for a different unit, under any duplicative Federal, State or Local housing assistance program.
- (19) The family may not engage in any abusive or violent behavior towards the Housing Authority's staff members, Board members or the owner/owner's representative.
- (20) The family must not engage in illegal use of any controlled substance; or abuse of alcohol that threatens the health, safety, or right to peaceful enjoyment of the premises by the surrounding community.

- (21) The family must not receive Voucher assistance while residing in a unit owned by a parent, child, grandparent, grandchild, sister or brother of any family member, unless approved in advance by RHA to provide a reasonable accommodation for persons with disabilities.
- (22) The family may not commit any serious or repeated violation of the lease. Examples include but are not limited to: nonpayment of rent, destruction of property, non-payment of damages beyond normal wear and tear, police activity or creating a disruptive influence in the neighborhood that is evidenced by repeated or multiple complaints from citizens.
- (23) Program participants must submit income increases during the annual recertification appointment. RHA must approve additions to the household in advance; this section only applies to persons leaving the household. Changes in household composition and loss of employment must be submitted in writing using the Housing Authority's Change of Status form within 30 calendar days. This form must be accompanied by a letter on company letterhead from the HR or payroll department.
Loss of unearned income such as: Child Support, unemployment benefits, TANF, Social Security and SSI benefits must be submitted in writing using the Housing Authority's Change of Status form within 30 calendar days. It is required by HUD for the family to submit verification concerning income changes.
- (24) The family must repay the Housing Authority in full any monies owed by the family. If a repayment agreement is executed between the Housing Authority and the family, the family must repay the funds in accordance with the repayment agreement.
- (25) The family must not be in breach of a repayment agreement with any housing authority.
- (26) The family must not be evicted from housing assisted under the program for serious or repeated violation of the lease.
- (27) The family must not be absent from the unit more than 30 consecutive days. A Reasonable Accommodation request will be considered.
- (28) A Welfare-to-Work family must not willfully or persistently fail to fulfill its obligations under the Welfare-to-Work program.
- (29) Family members may not flee to avoid prosecution, custody or confinement after conviction for a crime or an attempt to commit a crime that is a felony.

B. MEMBERS OF THE PUBLIC NOTIFICATION

The recommended administrative remedies for members of the public who wish to report undesirable or disruptive behaviors for any family participating in the Housing Choice Voucher Program are listed below:

- (1) Contact the owner of the property to report the disruptive behavior.
- (2) Gather adequate documentation and credible evidence such as newspaper articles and police reports. Unless a drug-related or violent criminal activity has occurred, the Housing Authority will need proof identifying a pattern of disruptive behavior (not an isolated incident.)
- (3) If additional assistance is recommended such as mediation services with another agency outside of the Housing Authority, the complainant should participate in these services.
- (4) If the family's assistance is in jeopardy of termination and the family requests that the complainant be invited to attend the informal hearing, the complainant should attend the hearing and present his/her side of the story.

C. FAMILIES INELIGIBLE FOR CONTINUED ASSISTANCE (\$0 ASSISTANCE PAYMENTS)

If the annual reexamination results in a zero Housing Assisted Payments (HAP), the family may continue as a program participant for six months from the date of the reexamination effective date. During that period the HAP contract between the Housing Authority and the owner remains in effect. If the family circumstances change during the six-month period and the family again needs assistance, the Housing Authority conducts an interim reexamination and reinstates assistance. At the end of six months, if the HAP has not been restored, the HAP contract will terminate. The Housing Authority must provide the family and the owners at least 30 days advance notification of the proposed termination and an opportunity to request an informal hearing. (*Note: If the family has a pre-10/2/95 contract, they may continue as a program participant for twelve months from the date of the reexamination effective date.)

XI. CLAIMS/COMPLAINTS/APPEALS

A. CLAIMS

Tenant Damage/Unpaid Rent: The Housing Authority does not pay any damage or vacancy loss payments. The owner keeps the full housing assistance payment for the month in which the family moves out. If the security deposit is insufficient to cover unpaid rent, damages, or other amounts the family owes the owner, the owner may collect the balance from the tenant.

B. COMPLAINTS

The Housing Authority will respond promptly to complaints from families, owners, employees, and members of the public. All complaints and their resolution will be documented.

C. INFORMAL HEARING PROCESS

This quasi-legal process constitutes the appeal process for voucher program participants. The Informal Hearing process is the only appeal beyond the Leased Housing staff and is not to be taken lightly. This hearing process is in place to provide due process for program participants facing a negative action, in particular a termination of benefits. There is no appeal beyond this process except to pursue proceedings in a court of law. Program participants receive a letter that explains the process and this information is helpful to ensure the family understands the process.

When An Informal Hearing Is Required: The Housing Authority must give a participant family an opportunity for an Informal Hearing to consider whether the following Housing Authority decisions were in accordance with the law, HUD regulations, and the Housing Authority's policies:

- A. A determination of the family's annual or adjusted income, and the use of such income to compute the housing assistance payment.
- B. A determination of the appropriate utility allowance (if any) for tenant-paid utilities from the Housing Authority utility allowance schedule.
- C. A determination of the family unit size under the Housing Authority's subsidy standards.
- D. A determination that a family is residing in a unit with a larger number of bedrooms than appropriate for the family size under the Housing Authority's subsidy standards,
- E. Housing Authority's determination to deny the family's request for an exception from the standards.
- F. A determination to terminate assistance for a participant family because of the family's action or failure to act (see 24.C.F.R. § 982.552).
- G. A determination to terminate assistance because the participant family has been absent from the assisted unit for longer than the maximum period permitted under the Housing Authority's policy and HUD rules.

When An Informal Hearing Is Not Required for the following:

- A. Determination that a unit does not comply with housing quality standards;
- B. Refusal to extend or suspend a voucher term;
- C. Discretionary administrative determinations by the RHA;
- D. General policy or class grievances;
- E. How the RHA established its utility allowance schedule;
- F. RHA refusal to approve a unit or tenancy;
- G. Determination that the unit does not meet housing quality standards due to family size or change in composition and;
- H. A determination to exercise or not to exercise any right or remedy against the owner.

Notice of Decision and Procedure for Requesting Informal Hearing: Following a Housing Authority action or decision that entitles a participant family ("family") to an Informal Hearing, the Housing Authority will give a family prompt written notice of the action or decision and of the family's right to request an Informal Hearing to determine whether the Housing Authority's

decision was in accordance with the law, HUD regulations, and the Housing Authority's policies. The notice shall contain a brief statement of the reasons for the Housing Authority's decision, the date the decision is effective, a statement that if the family does not agree with the decision then the family may request an Informal Hearing on the decision, information on how the family can request an Informal Hearing including the name of the person to whom the hearing request should be addressed, and the deadline for submitting such request for an Informal Hearing.

If the cause for the termination is criminal activity as shown by a criminal record, the housing authority will include a copy of the criminal record with the termination letter.

Request for Informal Hearing: A request for an Informal Hearing (notice of appeal) must be submitted in writing to the Housing Authority by the tenant no later than 10 business days from the date of the Housing Authority's notice of termination. The request should be mailed or hand-delivered to the designated person indicated in the termination letter. The Housing Authority's main office address is 900 Haynes Street, Raleigh, North Carolina, 27604.

The request for Informal Hearing should briefly state the basis for the appeal of the housing Authority's decision. If the basis for the appeal is challenging the income calculation, the request should specifically state what income is included or excluded, that is incorrect and the time frame of the error. This does not mean the tenant has to state the dollar amount that is incorrect, rather the source is incorrect or the rent seems too high because..., etc. Only the issues subject to appeal and communicated by the family in the request for Informal Hearing shall be addressed at the hearing.

If the Housing Authority does not receive the family's written request for an Informal Hearing within 10 business days of the date of the Housing Authority's notice of termination, then the family waives its right to an Informal Hearing, and the Housing Authority's decision becomes final. This does not, however, constitute a waiver of the family's rights to appropriate judicial proceedings.

Impact of Appeal on Housing Authority Decision or Action: The Housing Authority will send the notice of termination explaining the reason for the action and provide the family the opportunity to request an informal hearing before it terminates or reduces a family's housing assistance payments under an outstanding HAP contract. When an Informal Hearing is requested, a decision to terminate or reduce assistance will not take effect until the Hearing Officer issues a decision. If an Informal Hearing is not requested, then the decision to terminate or reduce assistance will take effect on the expiration of the family's time to request such a hearing.

The Housing Authority may implement the following changes prior to an Informal Hearing: changes in total tenant payment or family share; denial of a new voucher for a family that wants to move; or unit size determinations for a family that wants to move.

Notice of Informal Hearing Scheduling: Upon the review of the family's timely, written request for an Informal Hearing, an Informal Hearing will be scheduled in a reasonably

expeditious manner and the family will be sent an Informal Hearing Notification letter within a reasonable time. To expedite the process and minimize the impact on the family, the Hearing Notice may be verbal, either in person or via telephone, with a written follow up notice. The Notification will inform the family of the date, time and location of the Informal Hearing. It will also briefly explain the Informal Hearing process, including both the family's and the Housing Authority's right to discovery, the family's right to representation, and the family's and the Housing Authority's right to present arguments, evidence and witnesses at the hearing.

Failure to appear for a Scheduled Informal Hearing: After an Informal Hearing date is set, the family may request to reschedule or continue the hearing only upon a showing of "good cause". "Good Cause" is situations or emergencies that significantly affect the safety and/or welfare of the family. Housing is a basic need and maintaining this assistance is of paramount importance. If a family does not appear at a scheduled hearing, or does not reschedule the hearing within 48 hours due to "good cause" the termination will stand. "Good Cause" represents emergency situations beyond the control of the family that significantly affects the health, safety or well-being of a family member. The hearing will be rescheduled, in any event, only one time. If the family fails to appear for a hearing and has not appropriately rescheduled it, then the family will be deemed to have waived its right to a hearing, and the Housing Authority's decision becomes final.

Hearing Officer: The Informal Hearing may be conducted by any person or persons designated by the Housing Authority ("Hearing Officer"). It will be someone other than the person who made or approved the decision under review or a subordinate of this person. The Hearing Officer will regulate the conduct of the Informal Hearing, in accordance with these hearing procedures.

Discovery: The family has the right to view any available document or evidence upon which the Housing Authority based its decision, and it may obtain a copy of these documents at its own expense. The Housing Authority must receive requests for such documents no later than five business days before the hearing. In no case will the family be allowed to remove the documents from the Housing Authority's offices. Requests for documents made five business days or less prior to the hearing may not be honored. Furthermore, file reviews requested at the last minute will not become grounds for delaying the hearing. The family should inform the RHA staff at the time of the hearing request if a file review is needed. If a family waits until immediately before the scheduled hearing to secure legal counsel, this is not a legitimate reason for delaying the hearing.

The Housing Authority also has the right to examine, at its offices and before the hearing any documents in the family's possession that are relevant to the hearing and the Housing Authority must be allowed to copy any such documents at its own expense. Any documents not made available to the Housing Authority at least five business days prior to the hearing may not be used in the hearing.

Representation at Informal Hearing: A family may be represented at an Informal Hearing by legal counsel or other designated representative(s) at its own expense. The family should inform

the Housing Authority in writing at least five business days prior to the hearing of its intent to be represented by counsel or other designated representative(s). Except in the case of legal representation, the family must accompany the representative for the file review and any other meetings with the housing authority staff to discuss the matter under consideration. This representation is for the purpose of the informal hearing only. In order to act on the behalf of a program participant such as providing verifications, accessing confidential information in the file, altering the benefits being paid on behalf of a family, etc. the representative must have the power of attorney or legal authority to take such actions. To be clear, having the permission of the family to review a file with them or to speak for them in the hearing does not grant this person legal authority over all matters.

Objections, Arguments, Evidence, Witnesses: At the hearing, the family will be given the opportunity to present written or oral objections to the Housing Authority's decision. The family will also have the opportunity to present evidence and witnesses on the pertinent issues and it may question witnesses presented by the Housing Authority. The Housing Authority will likewise have the opportunity to present arguments, evidence, and witnesses, and it may question witnesses presented by the family. Evidence may be considered without regard to admissibility under the rules of evidence applicable to judicial proceedings. When deciding the matter, the Hearing Officer will only consider evidence presented at the hearing. Exceptions: if a third party verification is needed to substantiate hearing testimony (e.g., proof of address). Since the hearing officer has had no previous knowledge of this case, it may be necessary to verify authenticity of documents, request copies of computer logs, pull phone records or other information to support testimony presented in the hearing. It is imperative that this process not become so regimented and structured that it disadvantages tenants who represent themselves. The Hearing Officer may allow a reasonable time for either side to submit relevant information. Information that is not submitted by the Hearing Officer's deadline, in the manner requested, will not be considered.

Standard of Review: The Hearing Officer will determine whether the Housing Authority's action or decision is consistent with the law, HUD regulations, and the Housing Authority's policies, based upon the evidence and testimony presented at the Informal Hearing. Factual determinations relating to the individual circumstances of the family will be based on preponderance of the evidence presented at the hearing.

Issuance of Decision: The Hearing Officer will issue a written decision within 10 business days of the hearing (or the deadline set by the Hearing Officer for third party verifications, if applicable). The decision shall briefly state the reasons for the decision. As proof of service, decisions that uphold termination will be sent by certified mail.

There is no right to further appeal beyond the Informal Hearing described herein.

Records: All Informal Hearing requests, supporting documentation, and a copy of the Hearing Officer's decision shall be retained in the participant's file.

Certain Decisions Not Binding on Housing Authority: The Housing Authority is not bound by Informal Hearing decisions that concern matters on which the Housing Authority is not

required to provide an opportunity for an Informal Hearing, that are contrary to HUD regulations or requirements, that are contrary to federal, state, or local laws, or that exceed the authority of the person conducting the hearing. Accordingly, anytime the Hearing Officer's decision is against the Housing Authority, the (Director or Assistant Director of Leased Housing) will review the decision to determine if the Housing Authority is bound by the decision. If this review determines that the Housing Authority is not bound by the Hearing Officer's decision, then the Housing Authority will, within 10 business days of the date of the Hearing Officer's decision, so advise the participant and the Hearing Officer in writing. This written notice will include the reasons for the Housing Authority's determination that it is not bound by the decision.

Considering Circumstances: In determining whether to deny or terminate assistance because of action or failure to act by members of the family, the Housing Authority may consider all relevant circumstances such as the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination of assistance on other family members who were not involved in the action or failure.

The Housing Authority may impose, as a condition of continued assistance for other family members, a requirement that the family members who participated in or were culpable for the action or failure will not reside in the unit. If this condition is met, then the Housing Authority may permit the other members of a participant family to continue receiving assistance.

In determining whether to deny admission or terminate assistance for illegal use of drugs or alcohol abuse by a household member who is no longer engaged in such behavior, the Housing Authority may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully. For this purpose, the Housing Authority may require the applicant or tenant to submit evidence of the household member's current participation in, or successful completion of, a supervised drug or alcohol rehabilitation program or evidence of otherwise having been rehabilitated successfully.

Informal Hearing Procedures for Denial of Assistance based on Ineligible Immigration Status: Where the Housing Authority makes a determination of ineligible immigration status, it will offer an applicant or participant family the opportunity to request an Informal Hearing. A family may request an informal Hearing within 30 days of receipt of the ineligibility determination from the United States Immigration and Naturalization Service (INS), or the Housing Authority's decision to delay, terminate, or deny assistance. The procedures for these Informal Hearings, except the 30-day time period for requesting the hearing, will be the same as those utilized in other cases and described herein.

The Housing Authority shall keep all denial or termination of assistance documents related to immigration status for a minimum of five (5) years. These include any applications for initial or continued assistance.

XII. DEBTS TO HOUSING AUTHORITY

When families or owners owe money to the Housing Authority, the Housing Authority will make every effort to collect it. Before a debt is assessed against a family or owner, the file will contain documentation to support the Housing Authority's claim that the debt is owed. Mistakes made in the program should not benefit or penalize the participant. In cases where the participant received too much or too little subsidy, the correction will be made retroactively.

With first time income discrepancy findings, a repayment agreement may be entered into between the Housing Authority and a person owing a debt in excess of \$500. The family must pay at least 50% of the debt as a down payment and pay the balance within three (3) months. Any family who commits income discrepancy in excess of \$500 a second time may lose their assistance, have a seven-year exemption from being able to reapply for participation in the Voucher housing assistance program or Public Housing program and may not be granted an opportunity to enter into a repayment agreement. All funds must be paid before being considered for re-occupancy.

Families may receive assistance in excess of the amount they should due to unreported income, under-reported income or fraud.

Fraud encompasses situations where the recipient has falsely certified the amount of income received, provided false information or documentation and/or neglected to report an income source. In this case, the family may be offered one opportunity to enter into a repayment agreement. This agreement will require 50% of the overpayment as a down payment with the remaining balance paid in three equal installments.

In cases where the income was under-reported as in the case of overtime pay, the hearing officer may negotiate a smaller down payment and approve a longer repayment period based on the amount to be repaid. Repayment agreements should not exceed 24 monthly unless a Reasonable Accommodation request has been approved.

If the repayment agreement is in arrears the Housing Authority may grant an extension, if requested in writing and good cause is provided.

If the family fails to enter into a repayment agreement, the Housing Authority may at its sole discretion:

- (1) Require payment in full;
- (2) Pursue collection of the debt through all available means including civil collection
- (3) Pursue criminal charges against any persons participating in the income discrepancy;
- (4) Terminate the housing assistance

All debts that are in excess of \$3,000 may be referred to the appropriate federal, state or local law enforcement agency for investigation and possible criminal prosecution. All other cases will be reviewed and a determination will be made before a referral is sent to the federal, state or local law enforcement agency for criminal prosecution.

If the housing assistance is already terminated, the family must pay the debt in full. The opportunity to enter into a repayment agreement may not be granted.

XIII. WELFARE TO WORK VOUCHER PROGRAM

The goal of the Welfare-To-Work Voucher Program is to provide assistance to families in their transition from welfare to employment by building a support system that can address as many obstacles to employment as possible. Housing assistance must be determined to be critical to a family's ability to successfully obtain or retain employment. RHA has secured HUD approval to continue to offer this program as a local initiative. HUD has approved up to 1750 vouchers to be used as Welfare to Work assistance. The ultimate goal of the Welfare to Work Program is full time employment of at least 35 hours per week.

Families must meet the following requirements beyond the general requirements for eligibility to be eligible to participate in the program:

- The family must meet all normal Voucher program requirements.
- The family must not already be receiving Voucher assistance.
- The family must be on the Voucher waiting list.
- The family Head of Household must be willing and able to secure and maintain full time employment (35 hours per week) within 6 months.

The Housing Authority has the flexibility to target families in one or all of the following categories:

- Individuals eligible to receive TANF (Temporary Assistance for Needy Families)
- Individuals currently receiving TANF assistance
- Individuals having received TANF assistance within the last two years
- Families or individuals referred through the Circles of Support component of the Ten Year Plan to End Homelessness.

A. SELECTION CRITERIA

An applicant may be referred to the Housing Authority by Wake County Human Services (WCHS), the local TANF Agency or through the Support Circle component of the Ten Year Plan to End Homelessness. Referrals may be classified as either Immediate Need or Regular. All Immediate Need referrals will be selected and processed first. All other referrals are date stamped and processed by date and time of pre-application. Once applicants are selected for WTW Vouchers, they are automatically removed from the Regular Housing Choice Voucher waiting list.

A participant in the Welfare-to-Work Voucher Program is the documented head of household. Only the following are allowed to live in a housing unit through the Welfare-to-Work Voucher Program: the participant, his or her spouse, children of the participant and/or the spouse, children for whom the participant and/or spouse has legal custody or adults for whom the participant and/or spouse has legal custody. Having a person other than those named above living in the unit is not allowed.

B. PROGRESS TOWARDS SELF-SUFFICIENCY

As a part of the Welfare-To-Work Voucher Program, the family must be engaged in activities leading toward employment from the time he or she accepts the Welfare to Work voucher. In order for an activity to be determined as leading toward self-sufficiency, it must meet the following criteria:

- (1) Full-time employment (at least 35 hours per week on a regular basis)

Note: Babysitting does not meet this criterion unless one is working in a certified daycare home or daycare center. (Copy of the Certification and any other supporting documentation must be available for verification.)

OR

- (2) Full-time education or training (at least 35 hours per week on a regular basis) if such education or training leads to full-time employment within the first six months. Enrollment in educational or training programs is optional and is only allowed in the first six months of participation. Full time employment is required for the participant to remain in good standing. Families desiring to continue educational or other training opportunities may do so as long as they continue to meet the 35 hours per week work requirement. Families that desire to be full time students for a longer period may wait for a regular voucher.

Note: Home study courses are not acceptable unless combined with employment or other non-home study education or training. In addition, home study courses are not acceptable if the same training is available locally.

OR

- (3) A combination of employment and education/training as long as employment makes up 35 hours per week.

If a family participating in the Welfare-To-Work Program is no longer TANF eligible because there is not a child living in the household, the family may continue to participate in the WTW Voucher Program. The family must continue to show progress toward self-sufficiency and to meet all other program eligibility requirements.

When the head of household of a family participating in the Welfare-To-Work Voucher Program becomes disabled and is unable to show progress toward self-sufficiency by obtaining work or education/training, the family will continue in the WTW Voucher Program and will apply for a regular voucher. The Housing Authority will provide the family with a pre-application for the regular voucher program at the time the disability has been documented and verified by the Housing Authority. The requirement to show progress toward self-sufficiency will not be tracked during the time a family is waiting for a Housing Choice voucher. If the family is eligible when a Housing Choice Voucher becomes available, the family will participate in the Housing Choice Voucher Program and will be dropped from the WTW Voucher Program.

C. PORTABILITY

The Housing Authority follows established procedures to monitor portability of vouchers, of both the initial and receiving Housing Authority, in accordance with federal regulations (24CFR 982-353). The Housing Authority does not permit families participating in the Welfare-to-Work voucher program to move out of the Housing Authority's jurisdiction if they have obligations remaining under the Welfare-to-Work voucher program. Examples include but are not limited to: work requirements through Work First and successful completion of goals and objectives set by Raleigh Housing Authority. HUD has determined that the Welfare-to-Work housing assistance must be critical to a family's ability to successfully obtain or retain employment and all participants must show progress towards self-sufficiency. The Housing Authority will be unable to successfully track the progress of the families if the families are allowed to use the portability feature.

D. RECERTIFICATION

The Housing Authority will follow the recertification guidelines in Section VIII-A of this plan. During the recertification interview, Welfare-to-Work participants will be required to complete a "Welfare-to-Work Individual Assessment Checklist". Participants who are not making satisfactory progress towards employment and self-sufficiency will be required to establish corrective action within 90 days. An interim recertification will be required to reassess progress. Failure to show progress towards self-sufficiency at the ninety (90) day interim recertification interview will result in the termination of the housing assistance.

E. REVALIDATIONS

The Housing Authority does not permit families to move with continued assistance to another unit during the initial year of assisted occupancy. Welfare to Work participants that desire to move must adhere to the same criteria as any other participant in the Housing Choice Voucher program as stated in Section IX Part A of this plan with the following additional requirements:

- (1) The family is showing progress towards self-sufficiency as indicated by working 35 hours per week for at least 12 months.
- (2) The family is in compliance with the HUD rules and the Housing Authority's policies.

The Housing Authority does not permit families to move with continued assistance to another unit within the Housing Authority's jurisdiction during the first year of assisted occupancy at their current unit. After the first year, a family may move if:

1. The first recertification appointment is attended.
2. The assisted lease for the old unit has terminated because the Housing Authority has terminated the HAP Contract for owner breach.

3. The owner has not given the family a notice to vacate, or has not commenced an action of eviction, or has not obtained a court judgment or other process allowing the owner to evict the family and if the family continues to be eligible under the program (in accordance with the eligibility factors in Section II (A) of this plan

No family will be PERMITTED to move with continued assistance prior to their anniversary date (recertification) or if they have not been working full time over the previous 12 months. A criminal background check and Enterprise Income Verification (EIV) wage data report will be generated for compliance purposes prior to RHA approving a move. RHA will also verify full time employment prior to approving a move.

F. TERMINATION CRITERIA

HUD has identified “willful and persistent abuse” of the Welfare to Work program as grounds for termination. Failure to secure full time employment of at least 35 hours per week is grounds for termination of assistance. This is a work program and not a training program. To assure that the termination policy is not counterproductive to the goals of the program, the Housing Authority may also terminate an individual’s Welfare to Work rental assistance as a result of continued non-compliance with the Mutual Responsibility Agreement signed by participants with the local TANF agency in the following categories:

- The individual’s case remains in the Pay After Performance status for more than three months, and
- The individual’s Work First cash benefits case is subsequently closed due to failure to meet the program requirements.
- Support Circle participants must also meet the requirements for participation under that program in addition to Welfare-to-Work requirements.

The assistance may be terminated only after a thorough investigation of the case by designated Housing Authority and Wake County Human Services staff, and only after the staff's careful consideration of all pertinent facts and extenuating circumstances. If a family participating in the Welfare-To-Work (WTW) Voucher Program is terminated from the program or has been terminated from the Housing Choice Voucher Program due to a program violation(s), the family will not be eligible to reapply for participation again in the WTW Voucher Program or Housing Choice Voucher Program for three years from the date of termination by the Raleigh Housing Authority.

G. TERMINATION FROM THE WELFARE TO WORK PROGRAM

- (1) If the requirements in the agreement have not been met during the first three months, the Housing Authority will meet with the family to determine why there has not been progress toward employment. The family is expected to have full time employment of 35 hours or more by the end of the first six months. If the family is not working full time, the housing authority will issue a termination notice. If the family disagrees with this termination it can seek an informal hearing with the Welfare to Work Grievance Committee.
- (2) If the WTW Grievance Committee determines the family is showing progress towards self-sufficiency and may retain the voucher, the family must demonstrate that they have continued to show progress when they meet with the Housing Authority at their next annual recertification (i.e. six months after the meeting with the WTW Grievance Committee). If the Housing Authority determines that they are making progress toward self-sufficiency, they will return in 12 month, if not before because of other status changes, for the annual recertification. If the Housing Authority determines that they are not making progress toward self-sufficiency, a termination notice will be sent to the family.
- (3) When it is determined that a WTW family has not shown progress in achieving self-sufficiency, they may appeal to the Grievance Committee comprised of the Housing Authority and Wake County Human Services staff. However, the family may not appeal more than two (2) times to the Grievance Committee in order to maintain the WTW voucher.
- (4) If a family has been terminated from the WTW Program, they will not be eligible to participate in the program again. The family may apply for a Housing Choice Voucher following a three-year exemption.

XIV. MODERATE REHABILITATION

The Moderate Rehabilitation (Mod Rehab) program was designed in 1978 to be an expansion of the rental certificate program. The Moderate Rehabilitation Program provides project-based rental assistance to very low-income individuals and families. The rental subsidy is attached to the building or unit. As long as a tenant remains in that building or unit during the term of the contract, he/she benefits from the rental subsidy. The Housing Choice Voucher subsidy does not provide financing for rehabilitation costs.

No new projects are authorized for development under the Moderate Rehabilitation Program. Assistance is limited to properties previously rehabilitated pursuant to a Housing Assistance

Payment (HAP) contract between an owner and a Public Housing Agency (PHA).

Owners participating under the Moderate Rehabilitation program with voucher assistance maintain their own waiting lists and refer applicants to the Raleigh Housing Authority for determination of eligibility.

XV. COST SAVING MEASURES

INTRODUCTIONS

The HUD method for funding voucher assistance has changed many times over the last few years with many of these changes going into effect retroactively. As a result, it is necessary for housing authorities to incorporate measures into its Administrative Plan to address situations where HUD funding is not adequate. The Raleigh Housing Authority hereby establishes in its Administrative Plan the following options that the Board of Commissioners has approved depending on the particular circumstances as authorized by PIH Notice 2005-09. They are not listed in any particular order. There shall be one basic principle that will guide the Raleigh Housing Authority in implementing any or all of these options – what must RHA do to assist the maximum number of eligible people in a quality Housing Choice Voucher Program while maintaining the fiscal integrity of the program? The Raleigh Housing Authority shall endeavor to protect elderly and disabled families. The options include:

- A. The Housing Choice Voucher Payment Standards may be reviewed in light of the funding situation. If payment standards are reduced, the lower payment standard shall go into effect immediately for new admissions, participants moving from one unit to another, and people staying in place who require a new HAP contract because they are signing a new lease. In extraordinary circumstances, the Raleigh Housing Authority may ask HUD for a waiver so that even those participants staying in place without a new lease shall have their payment standard decreased immediately instead of the normal second regular reexamination after the lowering of the payment standard.
- B. Housing Choice Voucher Payment Standards must be established according to HUD regulation so that no more than 40% of the participants are paying more than 30% of their monthly-adjusted income for rent. If circumstances dictate it, the Raleigh Housing Authority may ask for a waiver of this prohibition in order to sufficiently lower its payment standard.
- C. The utility allowance schedule may be reviewed more often than annually to determine if the utility allowances are too high. If they are too high that means that the participants are being subsidized in an excessive manner. The new utility allowance schedule may be placed into effect after a thirty-day notice or at a participant's next reexamination
- D. As stated earlier, utility allowances are supposed to be adjusted annually or sooner if there is a utility rate increase of 10% or more. If circumstances warrant, the Raleigh Housing Authority reserves the right to seek a HUD waiver of this 10% threshold.
- E. If financial circumstances dictate, RHA may deny portability moves to a higher cost area for its Housing Choice Voucher participants and/or shoppers if the Raleigh Housing Authority

has insufficient funds to pay the higher subsidy amounts and the receiving housing authority declines to absorb the family. While the Board of Commissioners must establish this policy after an examination of the fiscal affairs of the organization, individual denials of portability shall only occur after the Raleigh Housing Authority has determined that the receiving housing Authority does not absorb the family. The denial of absorption shall be documented in that person's file.

- F. If financial circumstances dictate, the Raleigh Housing Authority may deny the right of a participant to move within the RHA jurisdiction to a portion of the jurisdiction that has a higher payment standard than the portion of the jurisdiction the participant currently lives in, if RHA has insufficient funds to pay the higher subsidy amounts.
- G. In order to ensure that rent reasonableness requirements are being complied with, the Raleigh Housing Authority may engage in special rent reasonableness reexaminations. This may be performed on all of the units in the program, a sample of the units in the program, or specifically targeted units that the Raleigh Housing Authority believes may not be meeting the required rent reasonableness test. If a unit fails the rent reasonableness test, the owner must reduce the rent to the reasonable amount after receiving appropriate notice or the HAP contract will be terminated. If the HAP contract is terminated for this reason, the family will be issued a new voucher to find a new dwelling, if funding is available.
- H. Housing Choice Vouchers issued to families on the waiting list that have not resulted in HAP contracts may be cancelled immediately with written notice.
- I. The Raleigh Housing Authority may be forced to not reissue vouchers surrendered by current participants immediately upon their return to the Housing Authority. Instead, the vouchers may be held in the Authority's inventory. The amount of time they will be held shall be determined based upon the financial situation of the Housing Authority and the HUD funding level.
- J. A study may be conducted to ensure that families are utilizing the proper size Housing Choice Voucher for their current family size.
- K. If the minimum rent is increased, it can be made as early as the first of the month following the month families are notified of the increase (provided there has been at least a 30-day notice) instead of at the next reexamination depending on the financial situation of the Authority.
- L. The requirement of when families have to report changes of their income may be modified.
- M. Owners participating in the Housing Choice Voucher Program may be asked to voluntarily reduce the rents they are charging participants in order to assist in the financial solvency of the program. This must be a voluntary program.
- N. RHA reserves the right to make other changes as necessitated as a result of funding shortfalls. Funding levels may change without prior notice and changes are often implemented by HUD retroactively.

APPENDIX 1

GLOSSARY OF TERMS IN SUBSIDIZED HOUSING

ABSORPTION - In Portability, the point at which a receiving housing authority starts making housing assistance payments (HAP) with funding under its consolidated ACC, rather than billing, the initial housing authority. [24 CFR 982.4]

ADJUSTED INCOME - Annual income, less allowable HUD deductions.

ADMISSION - The effective date of the first HAP contract for a family (first day of initial lease term) in a tenant-based program. This is the point when the family becomes a participant in the program.

ANNUAL INCOME - All amounts, monetary or not, which:

1. Go to, or on behalf of, the family head or spouse [or co-head] (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 re-examination effective date; and
 3. Which are not specifically excluded [by regulation].
- Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access. [24 CFR 5.609]

APPLICANT - A person or a family that has applied for housing assistance. [24 CFR 5.403]

CHILD CARE EXPENSES - Amounts paid by the family for the care of minors under 13 years of age where such care is necessary to enable a family member to be employed or for a household member to further his/her education.

CITIZEN- A citizen or national of the United States. [24 CFR 5.504]

CO-HEAD - An adult member of the family who is treated the same as a head of the household for purposes of determining income, eligibility, and rent.

CONTINUOUSLY ASSISTED - An applicant is continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the voucher program.

CONTRACT RENT – The Fair Market Rents (FMR) minus (-) the estimated utility equals (=) Contract Rent. This rent may be paid by the tenant, HUD, or both. Refer to the project’s rental schedule (form HUD-92458) or Rental Assistance contract for exact amounts.

CURRENTLY ENGAGING IN - With respect to behavior such as illegal use of a drug, other drug-related criminal activity, or other criminal activity, *currently engaging in* means that the individual has engaged in the behavior recently enough to justify a reasonable belief that the individual's behavior is current. [24 CFR 5.853]

DATING VIOLENCE - Violence committed by a person: (A) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.*

DEPENDENT - A member of the family household (excluding foster children) other than the family head, co-head or spouse, who is under 18 years of age or is a Disabled Person or Handicapped Person, or is a full-time student 18 years of age or over.

DISABLED PERSON - A person who is any of the following:

- (1) A person who has a disability as defined in section 223 of the Social Security Act. (42.U.S.C.423).
- (2) A person who has a physical, mental, or emotional impairment that:
 - (i) Is expected to be of long-continued and indefinite duration;
 - (ii) Substantially impedes his or her ability to live independently; and
 - (iii) Is of such a nature that ability to live independently could be improved by more suitable housing conditions.
- (3) A person who has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)).
- (4) A person who has the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence.

DISPLACED FAMILY - A family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to federal disaster relief laws. [24 CFR 5.403]

DOMESTIC VIOLENCE- Includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.*

DRUG-A controlled substance, as defined in schedules I through V of section 202 of the Controlled Substances Act [21 u.s.c. 812.]

DRUG-RELATED CRIMINAL ACTIVITY - The illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute, or use the drug. [24 CFR 5.100]

DRUG–TRAFFICKING- The illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell distribute or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C.802)).

ELDERLY HOUSEHOLD - A family whose head or spouse or whose sole member is at least 62 years of age or a Disabled Person as defined in this section or a Handicapped Person as defined in this section or may include two or more elderly, disabled or handicapped persons living together or one or more such persons living with another person who is determined to be essential to his/her care and wellbeing.

EXCEPTION RENT - An amount that exceeds the published fair market rent.

EXCESS MEDICAL EXPENSES - Any medical expenses incurred by elderly families only in excess of 3% of Annual Income which are not reimbursable from any other source.

EXTREMELY LOW-INCOME FAMILIES - A family whose annual income does not exceed 30% of the area median income (AMI), as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30% of the median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes. [24 CFR 5.603]

FAIR HOUSING ACT - Title VIII of the Civil Rights Act, 42 U.S.C. 3601. The Fair Housing Act is a broad statute that prohibits discrimination based upon race, color, religion, sex, national origin, disability, or familial status in most housing and housing-related transactions

FAIR MARKET RENT (FMR)/PAYMENT STANDARDS - The rent including cost of utilities (except telephone) that would be required to be paid in the housing market area to obtain privately owned existing decent, safe and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Fair market rents for existing housing are established by HUD for housing units of varying sizes (number of bedrooms) and are published in the Federal Register in accordance with 24 CFR parts 882.

FAMILIAL STATUS (FH ACT) - One or more individuals (who have not attained the age of 18 years) being domiciled with:

1. A parent or another person having legal custody of such individual or individuals (regardless of age or number of children); or
2. The designee of such parent or other person having such custody, with the written permission of such parent or another person.

The protections afforded against discrimination on the basis of familial status shall apply to any person who is pregnant or is in the process of securing legal custody of any individual who has not attained the age of 18 years. [24 CFR 100.20]

FAMILY- Includes, but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

- (1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person or any other single person; or

- (2) A group of persons residing together, and such group includes, but is not limited to:
- (a) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 - (b) An elderly family;
 - (c) A near-elderly family;
 - (d) A disabled family;
 - (e) A displaced family; and
 - (f) The remaining member of a tenant family

In addition, for categorizing family as defined above, the terms disabled family, elderly family and near-elderly family (per 24 CFR 5.403) are:

Disabled Family means a family whose head (including co-head), spouse, or sole member is a person with a disability. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

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

Gender Identity means actual or perceived gender-related characteristics. Applicants and program participants self-identify as it relates to gender and also have the option to not provide gender information at all. In cases where no gender information is provided, assistance will be provided based on two persons per bedroom.

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

Marital Status is no longer considered when determining eligibility for housing assistance. If anyone believes they have been unfairly treated based on marital status, gender identity, or sexual orientation they should contact Sonia Anderson 919-508-1304 or via e-mail at sanderso@rhaonline.com for assistance.

FAMILY COMPOSITION - The specific individuals who are included in the assisted family. Information on family composition includes names, ages, sexes, and citizenship status of all members and their relationship to one another.

FOSTER CHILDREN - Children that are in the legal guardianship or custody of a State, county, or private adoption or foster care agency, yet are cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency. These children will generally remain in foster care until they are reunited with their parents, or until their parents voluntarily consent to their adoption by another family, or until the court involuntarily terminates or severs the parental right of their biological parents, so that they can become available to be adopted by another

family. Therefore, the parental rights of the parents of these children may or may not have been terminated or severed, and the children may or may not be legally available for adoption.

FRAUD - Deceit or trickery deliberately practiced to gain some advantage dishonestly. Fraud is an intentional deception and cannot be committed accidentally.

NOTE: This is not necessarily the legal definition in particular cases.

FULL-TIME STUDENT - A person who is attending school or vocational training on a full-time basis. [24 CFR 5.603]

GROSS RENT - The sum of the Contract Rent and the utility allowance. If there is no utility allowance, Contract Rent equals Gross Rent.

GUEST - A person temporarily staying in a unit with the consent of the tenant or another member of the household who has express or implied authority to consent on behalf of the tenant. [24 CFR 5.100] A guest is a temporary visitor of the tenant's and should not be confused with an unauthorized occupant. Additionally, a guest is not a party to the lease agreement.

HEAD OF HOUSEHOLD - The adult member of the family who is the head of the household for purposes of determining income eligibility and rent. (See paragraph 5.6 for explanation of emancipated minor.) [24 CFR 5.504]

HANDICAP ASSISTANCE - Anticipated costs for care attendants and auxiliary apparatus for handicapped or disabled family members which enable a family member (including the handicapped family member) to work.

HANDICAPPED PERSON - (Referred to a Person with a Disability). A person having a physical or mental impairment which:

- (1) Is expected to be of long-continued and indefinite duration;
- (2) Substantially impedes his or her ability to live independently; and
- (3) Is of such a nature that such ability could be improved by more suitable housing conditions.

HEAD OF HOUSEHOLD - The head of household is the person who assumes legal and financial responsibility for the household and is listed on the application as head.

HOUSING ASSISTANCE PAYMENT - The monthly assistance payment by a HA. The total assistance payment consists of:

- (1) A payment to the owner for rent to owner under the family's lease.
- (2) An additional payment to the family if the total assistance payment exceeds the rent to owner. The additional payment is called a "utility reimbursement" payment.

HOUSING ASSISTANCE PAYMENT CONTRACT - (HAP contract). A written contract between a Housing Authority and an owner in the form prescribed by HUD headquarters, in which the HA agrees to make housing assistance payments to the owner on behalf of an eligible family.

HOUSING QUALITY STANDARDS (HQS) - The HUD minimum quality standards for housing assisted under the tenant-based programs.

HUD REQUIREMENTS - HUD requirements for the Section 8 programs. HUD requirements are issued by HUD headquarters as regulations, Federal Register notices or other binding program directives.

INITIAL HOUSING AUTHORITY – In portability, both: (1) a housing authority that originally selected a family that later decides to move out of the jurisdiction of the selecting housing authority; and (2) a housing authority that absorbed a family that later decides to move out of the jurisdiction of the absorbing housing authority.

INTERIM (EXAMINATION) - a reexamination of a household's income, expenses, and household status conducted between the annual recertification's when a change in a household's circumstances warrant such a reexamination.

JURISDICTION – The area in which the housing authority has authority under State and local law to administer the program.

LANDLORD - This term means either the owner of the property or his/her representative or the managing agent or his/her representative, as shall be designated by the owner.

LEASE - A written agreement between an owner and an eligible family for the leasing of a housing unit. The Voucher program has a Tenancy Addendum that has mandatory language which must be incorporated into any lease the HA uses.

LIVE-IN AIDE - A person who resides with an elderly person or disabled person and who:

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

LOW-INCOME FAMILY - A family whose annual income does not exceed 80% percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. For admission to the certificate program, HUD may establish income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

MANUFACTURED HOME – A manufactured structure that is built on a permanent chassis, is designed for use as a principal place of residence, and meets the HQS.

MEDICAL EXPENSES – Medical expenses, including medical insurance premiums that are anticipated during the period for which annual income is computed, and that are not covered by insurance.

MINOR - A member of the family household (excluding foster children) other than the family head or spouse who is under 18 years of age.

MIXED FAMILIES – A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

MONTHLY ADJUSTED INCOME – 1/12 of the Annual Income after Allowances or Adjusted Income.

NATIONAL – A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession.

NET FAMILY ASSETS - Value of equity in savings, checking, Ira and Keogh accounts, real property, stocks, bonds, and other forms of capital investment. The value of necessary items of personal property such as furniture and automobiles is excluded from the definition.

OCCUPANCY STANDARDS: - The standards that the housing authority establishes for determining the appropriate number of bedrooms needed to house families of different sizes or composition.

OWNER - Any persons or entity having the legal right to lease or sublease housing.

PARTICIPANT - A family that has been admitted to the HA's certificate program or voucher program. The family becomes a participant on the effective date of the first HAP contract executed by the HA for the family (First day of initial lease term).

PAYMENT STANDARD/ FAIR MARKET RENT-FMR) -In a housing choice voucher tenancy, the maximum monthly housing assistance payment for a family (before deducting the total tenant payment by family contribution). For a housing choice voucher tenancy, the housing authority sets a payment standard in the range from 90% to 110% of the current FMR.

PORTABILITY – Renting a dwelling unit with HCVP tenant-based assistance outside the jurisdiction of the initial housing authority.

PRORATION OF ASSISTANCE – The reduction in a family's housing assistance payment to reflect the proportion of family members in a mixed family who's are eligible for assistance.

RE-CERTIFICATION - A reexamination of household's income, expenses and family composition to determine the household's rent for the following 12-months.

RE-CERTIFICATION ANNIVERSARY DATE - Generally, the recertification anniversary date is the first day of the month a tenant moved into a project receiving HUD assistance. As long as an owner processes an annual recertification according to the procedures and deadlines required in Chapter 7, changes in the Total Tenant Payments (TTP), tenant rent, and assistance payment take effect on the recertification anniversary date

RECEIVING HOUSING AUTHORITY – In portability, a housing authority that receives a family selected for participation in the tenant-based program of another housing authority, the receiving housing authority issues a housing choice voucher, and provides program assistance to the family.

SECURITY DEPOSIT -. A payment required by an owner to be held during the term of the lease (or the time period the tenant occupies the unit) to offset damages incurred due to the actions of the tenant. Such damages may include physical damage to the property, theft of property, and failure to pay back rent. Forfeiture of the deposit does not absolve the tenant of further financial liability.

SEXUAL ORIENTATION – Homosexuality, heterosexuality, or bisexuality.

SINGLE PERSON - Someone living alone or intending to live alone who does not qualify as an elderly person, a person with disability, a displaced person, or the remaining member of a tenant family.

SPECIAL ADMISSION: Admission of an applicant that is not on the housing authority waiting list, or admission without considering the applicant's waiting list position.

SPOUSE - The husband or wife of the head of the household.

SUBSIDY STANDARDS - Standards established by an HA to determine the appropriate number of bedrooms for families of different sizes and compositions.

SUPPLEMENTAL SECURITY INCOME (SSI) – Program pays benefits to disabled adults and children who have limited income and resources. SSI benefits also are payable to people 65 and older without disabilities who meet the financial limits.

SUSPENSION - Stopping the clock on the term of a family’s housing choice voucher, for such period as determined by the housing authority, from the time when the family submits a request for housing authority approval to lease a unit, until the time when the housing authority approves or denies the request. Also referred to as tolling.

TEMPORARILY ABSENT – A person or person not actually residing in a unit for a period of time while still maintaining control of the unit. If the absence exceeds 30 calendar days, the Housing Authority must agree to the absence.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) – Federal program designed to help needy families to achieve self-sufficiency.

TOTAL TENANT PAYMENTS (TTP) - The total amount the HUD rent formula requires the tenant to pay toward rent and utilities.

UTILITIES - Utilities means water, electricity, gas, other heating, refrigeration, cooking fuels, trash collection and sewage services. Telephone service is not included as a utility.

UTILITY ALLOWANCE - If the cost of utilities (except telephone) including range and refrigerator, and other housing services for an assisted unit is not included in the Contract Rent but is the responsibility of the family occupying the unit, the utility allowance is an amount equal to the estimate made or approved by a PHA or HUD of a reasonable consumption of such utilities and other services for the unit by an energy conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthy living environment.

UTILITY REIMBURSEMENT PAYMENT - The amount, if any, by which the Utility Allowance for the unit, if applicable, exceeds the Total Tenant Payment for the family occupying the unit.

VAWA - The Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162, approved August 28, 2006) as this law amended the U.S Housing Act of 1937 (42 U.S.C. 1437c-1, 1437d, and 1437p).

Verification:

- a. The process of obtaining statements from individuals who can attest to the accuracy of the amounts of income, expenses, or household member status (e.g., employers, public assistance agency staff, doctors).
- b. The three types of verification are:
 - i. Third-party verification, either written or oral, obtained from employers, public assistance agencies, schools, etc.
 - ii. Documentation such as a copy of a birth certificate or bank statement
 - iii. Family certification or declaration (only used when third-party or documentation verification is not available)

VERY LOW INCOME FAMILY - A lower-Income Family who's Annual Income does not exceed 50% of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

VIOLENT CRIMINAL ACTIVITY – Means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage. Arrests alone are not sufficient evidence of criminal activity.

VOUCHER (RENTAL VOUCHER) – A document issued by a housing authority to a family selected for admission to the Housing Choice Voucher Program. This document describes the program and the procedures for housing authority approval of a unit selected by the family and state the obligations of the family under the program.

WAITING LIST - A list of families organized according to HUD regulations and HA policies that are waiting for subsidy to become available.

WELFARE-TO-WORK – Families assisted with housing choice voucher funding awarded under the HUD welfare-to-work voucher program.

APPENDIX 2

2016 INCOME LIMITS

Maximum income limits for admission as established by HUD for a family whose annual income does not exceed 60% of the median income for the area (very-low income limit range), as determined by HUD, with adjustments for smaller and larger families.

**1 PERSON - \$26,850
2 PERSON - \$30,650
3 PERSON - \$34,500
4 PERSON - \$38,300
5 PERSON - \$41,400
6 PERSON - \$44,450
7 PERSON - \$47,500
8 PERSON - \$50,600**

APPENDIX 3

Section 8 Certificate and Voucher Programs

Income and Allowances

Section 1: Annual Income

INCOME INCLUSIONS

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;
- (3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b) (2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;
- (4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);
- (6) Welfare assistance. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:
 - (i) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
 - (ii) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph (b)(6)(ii) shall be the amount resulting from one application of the percentage;
- (7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;
- (8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c) (7) of this section).

APPENDIX 4

Section 8 Certificate and Voucher Programs

Income and Allowances

Section 1: Annual Income

INCOME EXCLUSIONS

- (1) Income from employment of children (including foster children) under the age of 18 years;
- (2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
- (3) Lump-sum additions to family assets, such as inheritance, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);
- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in §5.403;
- (6) The full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8) (i) Amounts received under training programs funded by HUD;
- (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (iii) Amounts received by a participation in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
- (iv) Amounts received under a resident services stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident initiatives coordination. No resident may receive more than one such stipend during the same period time;
- (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
- (9) Temporary, nonrecurring or sporadic income (including gifts);
- (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (11) Earning in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (12) Adoption assistance payments in excess of \$480 per adopted child;
- (13) For public housing only: The earnings and benefits to any family member resulting from the participation in a program providing employment training and supportive services in accordance with the Family Support Act of 1988, section 22 of the 1937 Act (42 U.S.C. 1437t), or any comparable Federal, State, or local law during the exclusion period.
- (14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.
- (15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

- (16) Amounts paid by the State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
- (17) Amounts specifically excluded by any other Federal statute from consideration as income for the purposes of determining eligibility or benefits under a category of assistance programs that included assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.

APPENDIX 5

ALLOWABLE DEDUCTIONS FROM ANNUAL INCOME

Federal Register / Vol.51. No. 203 / Friday, October 18, 1996 / Rules and Regulations

§5.511 Adjusted Income

Adjusted income means annual income less the following deductions:

- a) \$480 for each dependent;
- b) \$400 for any elderly family or disabled family;
- c) For any family that is not an elderly family or disabled family but has a member (other than the head of household or spouse) who is a person with a disability, disability assistance expenses in excess of three percent of annual income, but this allowance may not exceed the employment income received by family members who are 18 years of age or older as a result of the assistance to the person with disabilities;
- d) For any elderly family or disabled family
 - 1) That has no disability assistance expenses, an allowance for medical expenses equal to the amount by which the medical expenses exceed three percent of annual income.
 - 2) That has disability assistance expenses greater than or equal to three percent of annual income an allowance for disability assistance expenses computed in accordance with paragraph (c) of this section, plus an allowance for medical expenses that is equal to the family's medical expenses:
 - 3) That has disability assistance expenses that are less than three percent of annual income, and allowance for combined disability assistance expenses and medical expenses that is equal to the amount by which the sum of these expenses exceed three percent of annual income; and
- e) Child care expenses.

APPENDIX 6

SUMMARY OF ASSET INCLUSIONS AND EXCLUSIONS

A. ASSETS INCLUDE:	B. ASSETS DO <u>NOT</u> INCLUDE:
<ol style="list-style-type: none"> 1. Amounts in savings and checking accounts. 2. Stocks, bonds, savings certificates, money market funds and other investment accounts. 3. Equity in real property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the assets and reasonable costs (such as broker fees) that would be incurred in selling the assets. 4. The cash value of trusts that may be withdrawn by the family. 5. IRA, Keogh and similar retirement savings accounts, even though withdrawal would result in a penalty. 6. Some contributions to company retirement/pension funds. Note the discussion below accessibility of the funds. 7. Assets, which although owned by more than one person, allow unrestricted access by the applicant. 8. Lump sum receipts such as inheritances, capital gains, lottery winnings, insurance settlements, and other claims. 9. Personal property held as an investment such as gems, jewelry, coin collections, antique cars etc. 10. Cash value of life insurance policies. 11. Assets disposed of for less than fair market during the two years preceding certification or recertification. 	<ol style="list-style-type: none"> 1. Necessary personal property, except as noted in A.9. 2. Interest in Indian trust lands. 3. Assets that are part of an active business or farming operation. 4. NOTE: Rental properties are considered personal assets held as an investment rather than business assets unless real estate is the applicant's/tenant's main occupation. 5. Assets not controlled by or accessible to the family and which provide any income for the family. 6. Vehicles especially equipped for the disabled. 7. Equity in owner occupied cooperatives and manufactured homes in which the family lives.

NOTE: A key factor in whether or not to include an asset in the calculation of annual income is whether any member of the family has access to the asset.